



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR
KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

November 08, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#41 NOVEMBER 8, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

ISSUANCE AND SALE OF WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B (FIFTH DISTRICT) (3 VOTES)

SUBJECT

The governing board of the William S. Hart Union High School District (the "District") has requested that the County issue general obligation bonds on its behalf in an aggregate principal amount not to exceed \$45,000,000. The bonds were authorized by a vote of the qualified electors of the District and will be issued to finance capital improvements for various school facilities. The repayment of the bonds will be funded from the proceeds of ad valorem taxes levied on all taxable property within the District.

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the resolution authorizing the issuance and sale of the William S. Hart Union High School District (Los Angeles County, California) General Obligation Bonds, 2008 Election, Series B.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On November 4, 2008, voters residing in the District approved a ballot measure authorizing the District to issue up to \$300,000,000 in general obligation bonds to fund various capital improvements. The governing board of the District has determined that the District needs to borrow funds in an aggregate principal amount not to exceed \$45,000,000, and is scheduled to adopt a resolution authorizing this transaction on November 7, 2011. This will be the second issuance of bonds authorized under this ballot proposition.

Pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government

Code, the District has requested the County to issue general obligation bonds on its behalf. As the result of a Qualified Interim Report issued by the Los Angeles County Office of Education, the District is prohibited from being the issuer of its own general obligation bonds.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal #1: Operational Effectiveness through collaborative actions among County departments and other governmental jurisdictions to provide investment in public school infrastructure within the County.

FISCAL IMPACT/FINANCING

There will be no fiscal impact to the County budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The resolution provides for the issuance of bonds at an interest rate not to exceed the maximum rate permitted by law. The final structure of the bonds will be determined at the time of pricing to achieve the lowest cost of financing within the tax levy limits of the proposition. The term of the bonds will not exceed forty (40) years.

The District is recommending a negotiated sale of the bonds to the underwriter, with participation by the Treasurer and Tax Collector in pricing the bonds. The District has selected Stifel, Nicolaus & Company Inc. (dba Stone & Youngberg) as underwriter, and the firm of Bowie, Arneson, Wiles & Giannone as bond counsel. The Treasurer and Tax Collector will appoint U.S. Bank National Association as paying agent.

The County will annually levy and collect ad valorem taxes for the repayment of the bonds on behalf of the District.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not applicable.

CONCLUSION

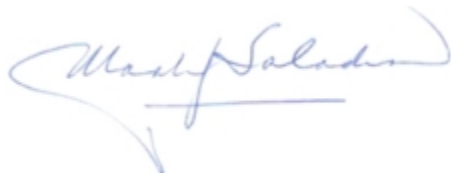
Upon approval, it is requested that the Executive Officer-Clerk of the Board of Supervisors return two originally executed copies of the adopted resolution to the Treasurer and Tax Collector (Office of Public Finance).

The Honorable Board of Supervisors

11/8/2011

Page 3

Respectfully submitted,

A handwritten signature in blue ink, reading "Mark J. Saladino". The signature is stylized with a large, sweeping initial "M" and a horizontal line under the name.

MARK J. SALADINO

Treasurer and Tax Collector

MJS:JP:JW:ad

Enclosures

c: Chief Executive Officer
Auditor-Controller
County Counsel
Executive Officer, Board of Supervisors
William S. Hart Union High School District
Los Angeles County Office of Education
Bowie, Arneson, Wiles & Giannone

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, PROVIDING FOR THE ISSUANCE AND SALE OF WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FORTY-FIVE MILLION DOLLARS (\$45,000,000); PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS; MAKING RELATED FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS

TABLE OF CONTENTS

	<u>Page</u>
Section 1. Recitals; Incorporation of School Board Resolution	3
Section 2. Purpose and Designation of the Bonds	3
Section 3. Statutory Authorization.....	3
Section 4. Negotiated Sale	3
Section 5. Approval of Purchase Contract.....	3
Section 6. Certain Definitions	4
Section 7. Terms of Bonds.....	10
Section 8. Redemption	11
Section 9. Form of Bonds; CUSIP® Numbers	15
Section 10. Execution of Bonds; Authentication.....	15
Section 11. Delivery of Series A Bonds	16
Section 12. Bond Registration; Transfers	16
Section 13. Book-Entry System.....	17
Section 14. Paying Agent.....	19
Section 15. Payment of Principal and Interest	20
Section 19. Source of Payment; Security for the Series A Bonds	21
Section 17. Defeasance	22
Section 18. Partial Defeasance.....	23
Section 19. Establishment of Funds; Disposition of Proceeds of the Bonds; Investment	23
Section 20. Bond Insurance	25
Section 21. Official Statement	26
Section 22. Continuing Disclosure	26
Section 23. Tax and Arbitrage Matters	26
Section 24. County Books and Accounts.....	27
Section 25. Execution of Documents by Bond Owners.....	27
Section 26. Unclaimed Monies	28
Section 27. Conditions Precedent	28
Section 28. Amendments	28
Section 29. Benefits Limited to Parties.....	29
Section 30. Acceptance of Payment of County Costs.....	29

Section 31. Approval of Actions.....	29
Section 32. Partial Invalidity; Severability	29
Section 33. Effective Date	30
Section 34. Clerk's Certificate	30

EXHIBITS:

EXHIBIT A - FORM OF BOND PURCHASE AGREEMENT	A-1
EXHIBIT B - FORM OF CURRENT INTEREST BOND	B-1
EXHIBIT C - FORM OF CAPITAL APPRECIATION BOND	C-1
EXHIBIT D - FORM OF CONVERTIBLE CAPITAL APPRECIATION BOND	D-1

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, PROVIDING FOR THE ISSUANCE AND SALE OF WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FORTY-FIVE MILLION DOLLARS (\$45,000,000); PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS; MAKING RELATED FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS

WHEREAS, the William S. Hart Union High School District (“District”) is a public school district located within the boundaries of the County of Los Angeles (“County”), State of California (“State”); and duly organized and operating pursuant to the Constitution and the laws of the State; and

WHEREAS, an election was duly called and regularly held within the boundaries of the District on November 4, 2008, pursuant to the California Constitution and California law (“Election”), and thereafter canvassed and certified pursuant to law; and

WHEREAS, at such Election there was submitted to and approved by greater than the requisite fifty-five percent (55%) favorable vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters (designated as “Measure SA”), in the maximum amount of Three Hundred Million Dollars (\$300,000,000) payable from the levy of an *ad valorem* tax against taxable property located within the boundaries of the School District (“Authorization”); and

WHEREAS, the results of the Election were certified by the Governing Board of the District (“School Board”) by adoption of Resolution No. 0809-29, adopted on January 21, 2009, pursuant to State law, which Resolution No. 0809-29 has been filed as required by State law; and

WHEREAS, the proceeds of general obligation bonds issued pursuant to the Bond Authorization are to be used for identified projects (as set out in District Resolution No. 0809-01 adopted on July 16, 2008 (“Resolution No. 0809-01”), which is incorporated herein by this reference) as approved by the voters in the Bond Election; and

WHEREAS, pursuant to the Bond Authorization and the provisions of applicable California law, the District, pursuant to the provisions of District Resolution No. 0809-45 and a Resolution adopted by the County Board of Supervisors on May 12, 2009, have previously authorized and issued the William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series A in the initial par amount of \$75,174,766.10, which bonds were issued as of June 10, 2009 (“Series A Bonds”), leaving \$224,825,233.90 of bonds of the Bond Authorization authorized and unissued; and

WHEREAS, pursuant to the Bond Authorization, the provisions of Education Code Section 15150 and related California law, the District previously issued the 2009 General Obligation Bond Anticipation Notes of the William S. Hart Union High School District (“2009 Notes”) in the initial principal amount of \$41,525,000 for the purpose of providing funds to finance the acquisition and construction of public educational facilities and projects as described in the Bond Authorization; and

WHEREAS, pursuant to the provisions of California law, the net proceeds of the Series B Bonds (as defined herein) will be used to pay the outstanding 2009 Notes; and

WHEREAS, pursuant to the provisions of the California Constitution and the Authorization, the District may, subject to certain of the provisions and limitations of Article 1 of Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code (“Education Code”), proceed to borrow funds pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (“Government Code”) of the State of California, being Section 53506 *et seq.*, and, as applicable, Education Code Sections 15140 *et seq.*, 15264 and 15266(b), which authorizes the School Board to issue general obligation bonds through the County by way of a resolution and compliance with certain statutory requirements; and

WHEREAS, pursuant to the Authorization and Government Code Sections 53506 *et seq.*, including, but not limited to Government Code Section 53508.7(c) and, as applicable, Education Code Sections 15100 *et seq.*, 15140 *et seq.*, and 15266, the School Board, adopted its Resolution No. 11/12-19 on November 7, 2011 (“District Resolution”), an executed electronic copy of which has been received by the County Board, requesting the County Board to issue a series of such authorized school district bonds, designated the “William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B” in an aggregate principal amount not to exceed \$45,000,000 (“Series B Bonds” or “Bonds”); and

WHEREAS, the Series B Bonds are authorized to be issued by the County, on behalf of the District, pursuant to the Authorization, the provisions of the Government Code, specifically Government Code Sections 53506 *et seq.*, and, as applicable, the provisions of the Education Code, specifically Education Code Sections 15100 *et seq.*, 15140 *et seq.*, and 15266; and

WHEREAS, the District has authorized the issuance of the Series B Bonds in any combination of Current Interest Bonds, Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, all as defined herein; and

WHEREAS, in the District Resolution, the School Board found and informed this County Board that all acts and conditions necessary to be performed by the District or to have been met precedent to and in the issuance and sale of the Series B Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Series B Bonds have been performed and met, in regular and due form as required by law; and

WHEREAS, the School Board, has further directed that the Series B Bonds be sold to Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus (“Underwriter”), by negotiated sale pursuant to the terms of the proposed form of Bond Purchase Agreement (“Purchase Agreement” and as further defined herein) among the County, the District, and the Underwriter, subject to the limitations set forth herein and in the District Resolution; and

WHEREAS, this County Board desires to make certain determinations and to authorize the issuance and sale of the Series B Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS FOLLOWS:

Section 1. Recitals; Incorporation of District Resolution. The foregoing recitals are true and correct and are incorporated herein by this reference. A certified copy of the District Resolution, together with the exhibits thereto, is on file with this County Board and is incorporated herein by reference and all of the provisions thereof are made a part hereof and shall be applicable to the issuance and delivery of the Series B Bonds, except as otherwise specified herein. Notwithstanding the foregoing, the County assumes no liability or responsibility for representations or warranties of the District as set forth in the District Resolution.

Section 2. Purpose and Designation of the Bonds. The purpose of the Series B Bonds is to refinance various capital projects for the District by repaying the 2009 Notes, which provided funds for authorized capital projects and expenditures, pursuant to Government Code Sections 53506 *et seq.*, Education Code Sections 15100 *et seq.*, 15150, 15264 and 15266, and to pay all reasonable and necessary costs of issuing and delivering the Series B Bonds pursuant to Government Code Section 53509.5(b) and, as applicable, Education Code Section 15145(a). The Series B Bonds shall be officially designated as the **“William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B.”**

Section 3. Statutory Authorization. The Series B Bonds are authorized to be issued and sold by the County in the name of the District pursuant to the Election, the Authorization, the District Resolution, the California Constitution, this Resolution, the provisions of Government Code Sections 53506 *et seq.*, and to the extent applicable, Education Code Sections 15100 *et seq.*, 15140 *et seq.*, 15150 and 15266.

Section 4. Negotiated Sale. The Series B Bonds shall be sold at a negotiated sale upon the direction of the District’s Superintendent, Chief Financial Officer, Chief Operations Officer or their designee(s), on behalf of the District, acting together with an authorized representative of the Office of the County Treasurer and Tax Collector (“Treasurer”). The Series B Bonds shall be sold pursuant to the applicable provisions of the Government Code, the Education Code and the terms and conditions set forth in the Purchase Agreement, as described herein.

Section 5. Approval of Purchase Agreement. The form of the Purchase Agreement (as defined herein) for the purchase and sale of the Series B Bonds, substantially in the form attached hereto, is hereby approved and the Treasurer, or the Treasurer’s designee or deputy

thereof, is hereby authorized to execute and deliver the Purchase Agreement, on behalf of the County, with such changes therein, deletions therefrom and modifications thereto as the Treasurer, or the Treasurer's designee, or deputy, shall approve (when such terms are acceptable to the County), such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the Principal Amount of the Series B Bonds shall be determined by the District (but in no event to exceed \$45,000,000), the term of the Series B Bonds shall not exceed 40 years, the interest rates on the Series B Bonds shall not exceed the legal maximum and the Underwriter's discount shall not exceed Eight Tenths of One Percent (0.80%) (exclusive of any original issue discount on the Series B Bonds, which original issue discount shall not exceed 5.00%) (and further excluding any amount held by the Underwriter to pay designated costs of issuance under the terms of the Purchase Agreement) of the aggregate Principal Amount of Series B Bonds sold thereunder. The Treasurer, in consultation with the Underwriter and the District is authorized to determine or accept the Principal Amount of each maturity of the Series B Bonds (including any Capital Appreciation Bonds and Convertible Capital Appreciation Bonds), the redemption provisions for the Series B Bonds and the final purchase price for the Series B Bonds (subject to the limitations set forth herein) which shall be set forth in the Purchase Agreement as executed and delivered. For purposes of this calculation, the premium paid for the policy of municipal bond insurance, if any, shall be treated as interest paid on the Series B Bonds on the date of delivery.

If, upon consultation with the Designated Officer (as defined herein) of the District, the District determines to acquire municipal bond insurance to secure the Series B Bonds, the Treasurer may so provide in the Purchase Agreement.

Section 6. Certain Definitions. As used in this Resolution, the terms set forth below shall have the following meanings ascribed to them:

(a) **"Accreted Interest"** means, with respect to the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, the Accreted Value thereof minus the Principal Amount thereof as of the date of calculation.

(b) **"Accreted Value"** means, as of the date of calculation, with respect to the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds prior to the Conversion Date, the Denominational Amount thereof, plus Accreted Interest thereon to such date of calculation, compounded semiannually on each February 1 and August 1 (commencing on the date stated in the Purchase Agreement), or such other dates or maturity date(s) as shall be specified in the Purchase Agreement, with respect to the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds prior to the Conversion Date maturing on those dates specified in the Purchase Agreement, and at the stated yield to maturity thereof, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

(c) **"Accretion Rate"** means, unless otherwise provided by the Purchase Agreement, that rate which, when applied to the Principal Amount of a Capital Appreciation Bond or a Convertible Capital Appreciation Bond, and compounded semiannually on each February 1 and August 1 (commencing on the date set forth in, and subject to the terms of, the Purchase Agreement), produces the Maturity Value on the maturity date (with respect to Capital

Appreciation Bonds) and the Conversion Value on the Conversion Date (with respect to Convertible Capital Appreciation Bonds).

(d) **“Authorized Investments”** means the County Investment Pool (or other investment pools of the County into which the District may lawfully invest its funds), the Local Agency Investment Fund, any investment authorized pursuant to Sections 16429.1 and 53601 of the Government Code, or in shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Section 53635 of the Government Code, or in guaranteed investment contracts in direct general obligations of the United States of America (including State and Local Government Securities) (provided that such contracts comply with the requirements of Section 148 of the Internal Revenue Code, and with the requirements of the Bond Insurer, if any, and as shall be applicable).

(e) **“Authorized Newspaper”** means a newspaper selected by the District which is customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, published in the English language, of general circulation in the County of Los Angeles and which has been adjudicated or designated as a “newspaper of general circulation” pursuant to California law.

(f) **“Bond Counsel”** means (a) the firm of Bowie, Arneson, Wiles & Giannone, or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

(g) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of Principal and interest on all or a portion of the Series B Bonds.

(f) **“Bond Payment Date”** or **“Interest Payment Date”** means, unless otherwise provided in the Purchase Agreement, with respect to the interest on the Current Interest Bonds and interest on the Convertible Capital Appreciation Bonds after the Conversion Date, February 1 and August 1, commencing on the date set forth in the Purchase Agreement, and commencing on the date set forth in the Purchase Agreement, with respect to the principal payments on the Current Interest Bonds. With respect to the Capital Appreciation Bonds or Convertible Capital Appreciation Bonds prior to the Conversion Date, “Bond Payment Date” means the stated maturity dates thereof, as applicable, as stated in the Purchase Agreement. With respect to the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, “Bond Payment Date” means the stated maturity dates thereof, as applicable, as stated in the Purchase Agreement and may be different than the Bond Payment Dates specified for the Current Interest Bonds.

(h) **“Bond Register”** means the listing of names and addresses of the then-current registered owners of the Series B Bonds, as maintained by the Paying Agent in accordance with Section 12 hereof.

(i) **“Bonds”** or **“Series B Bonds”** means the William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B.

(j) **“Business Day”** means a day which is not a Saturday or Sunday or a day on which banking institutions are authorized or required by law or executive order to be closed in California and New York for commercial banking purposes and on which the Federal Reserve system is not closed.

(k) **“Capital Appreciation Bonds”** means those Series B Bonds, if any, designated as Capital Appreciation Bonds pursuant to Section 7, the interest component of which is compounded semiannually on each Bond Payment Date to maturity as shown in the table of Accreted Values for such Series B Bonds as set out in the Purchase Agreement.

(l) **“Capital Appreciation Term Bonds”** means those Capital Appreciation Bonds, if any, for which mandatory sinking fund redemption dates have been established in the Purchase Agreement.

(m) **“Code”** means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Series B Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Series B Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

(n) **“Conversion Date”** means, with respect to Convertible Capital Appreciation Bonds, the date stated in the Purchase Agreement as the date on which such Series B Bonds, originally issued as Capital Appreciation Bonds, convert to Current Interest Bonds.

(o) **“Conversion Value”** means, with respect to any Convertible Capital Appreciation Bonds, the Accreted Value as of the Conversion Date.

(p) **“Convertible Capital Appreciation Bonds”** means the Series B Bonds, if any, which are originally issued as Capital Appreciation Bonds, but which convert to Current Interest Bonds on the Conversion Date.

(q) **“Costs of Issuance Fund”** shall have the meaning set forth in Section 19 hereof.

(r) **“County”** means the County of Los Angeles, a political subdivision of the State of California organized and existing under the Constitution and laws of the State of California, and any successor thereto.

(s) **“County Board”** means the Board of Supervisors of the County.

(t) **“Current Interest Bonds”** means the Series B Bonds, if any, designated as, or converted to, Current Interest Bonds pursuant to the terms hereof, the interest on which is payable on each Bond Payment Date specified for each such Series B Bond as designated and maturing in the years and in the amounts set forth in the Purchase Agreement.

(u) **“Current Interest Term Bonds”** means those Current Interest Bonds for which mandatory sinking fund redemption dates have been established in the Purchase Agreement.

(v) **“Date of Issuance”** or **“Closing Date”** means the delivery date with respect to the Series B Bonds, or such other dates for the Series B Bonds as shall be designated by the Purchase Agreement.

(w) **“Debt Service Fund”** shall have the meaning set forth in Section 19 hereof.

(x) **“Denominational Amount”** means, with respect to the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, the initial offering price thereof, which represents the initial Principal Amount thereof (exclusive of any initial premium thereon), and, with respect to the Current Interest Bonds, the Principal Amount thereof.

(y) **“Designated Officer(s)”** means the District’s Superintendent, Chief Financial Officer and Chief Operations Officer, or other persons designated in writing by the District’s Superintendent as a Designated Officer of the District.

(z) **“District”** or **“School District”** means the William S. Hart Union High School District, a public school district organized and operating under the Constitution and the laws of the State of California, and any lawful successor thereto.

(aa) **“District Board”** or **“School Board”** means the Governing Board of the District.

(bb) **“DTC”** or **“Depository”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Series B Bonds.

(cc) **“Escrow Agent”** means U.S. Bank National Association as the Escrow Agent under the terms of the Escrow Agreement.

(dd) **“Escrow Agreement”** means the Escrow Agreement to be entered into by and between the District and the Escrow Agent for the deposit and application of the net proceeds of the Series B Bonds to pay at maturity the District’s outstanding 2009 Notes.

(ee) **“Information Services”** means Financial Information, Inc.’s “Daily Called Bond Service,” 1 Cragwood Road, 2nd Floor, South Plainfield, New Jersey 07080, Attention: Editor; Standard & Poor’s Ratings Group “Called Bond Record,” 55 Water Street, New York, New York, 10041; Mergent, 580 Kingsley Park Drive, Fort Hill, South Carolina, 29715, Attention: Called Bond Department, and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as the District may designate in a written request of the District delivered to the Paying Agent.

(ff) **“Letter of Representations”** or **“Representation Letter”** shall have the meaning set forth in Section 13 hereof.

(gg) **“Maturity Value”** means the Accreted Value of any Capital Appreciation Bond on its maturity date.

(hh) **“Moody’s”** means Moody’s Investors Service, Inc., a corporation duly organized and existing under the laws of the State of Delaware and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term **“Moody’s”** shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

(ii) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 13 hereof.

(jj) **“Office of the Paying Agent”** means the principal office of the Paying Agent in Los Angeles, California, or such other office as may be specified to the District by the Paying Agent in writing.

(kk) **“Official Statement”** shall have the meaning set forth in Section 21 hereof.

(ll) **“Outstanding”** means all Series B Bonds theretofore issued by or on behalf of the District, except:

- (1) Series B Bonds theretofore canceled by the District or surrendered to the District for cancellation;
- (2) Series B Bonds for the transfer or exchange of or in lieu of or in substitution for which other Series B Bonds shall have been authenticated and delivered by the District pursuant to the terms hereof; and
- (3) Series B Bonds paid and discharged pursuant to Sections 17 or 18 hereof.

(mm) **“Owner”** or **“Bond Owner”** means the current registered owner of a Series B Bond or Series B Bonds to whom payments of principal and interest are made.

(nn) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which DTC holds book-entry certificates as securities depository.

(oo) **“Paying Agent”** means the County Treasurer, or its designated agent, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent or any successor thereto as duly appointed by the County.

(pp) **“Principal”** or **“Principal Amount”** means, with respect to any Current Interest Bond, the principal amount stated thereon, and, with respect to any Capital Appreciation Bond and Convertible Capital Appreciation Bond, the Denominational Amount.

(qq) **“Purchase Agreement”** or **“Bond Purchase Agreement”** means that certain Bond Purchase Agreement for the purchase and sale of the Series B Bonds as between the District, the County and the Underwriter, as such Purchase Agreement shall be executed and delivered.

(rr) **“Rebate Fund”** shall have the meaning set forth in Section 19 hereof.

(ss) **“Record Date”** means the close of business on the fifteenth day of the month preceding each Bond Payment Date whether or not such day is a business day.

(tt) **“Redemption Notice”** shall have the meaning set forth in Section 8 hereof.

(uu) **“Resolution”** or **“Bond Resolution”** means this Resolution, including the Exhibits hereto, as adopted by the County Board of Supervisors and as such may be amended pursuant to Section 28.

(vv) **“School Board”** means the Governing Board of the District.

(ww) **“Securities Depositories”** means the following: The Depository Trust Company, with Cede & Co. as its nominee, 55 Water Street, 25th Floor, New York, New York, 10041-0099, Attn: Call Notification Department, Fax (212) 855-5004, and in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Written Request of the District delivered to the Paying Agent.

(xx) **“S&P”** means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation duly organized and existing under the laws of the State of New York, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

(yy) **“State”** means the State of California.

(zz) **“Tax Certificate”** means the Tax Certificate executed by the District at the time of issuance of the Series B Bonds relating to the requirements of Section 148 of the Code, as originally executed and as it may be amended from time to time.

(aaa) **“Term Bonds”** means, if issued, collectively, the Current Interest Term Bonds and the Capital Appreciation Term Bonds.

(bbb) **“Transfer Amount”** means, (i) with respect to any Outstanding Current Interest Bond, the Principal Amount, (ii) with respect to any Outstanding Capital Appreciation Bond, the Maturity Value, and (iii) with respect to any Outstanding Convertible Capital Appreciation Bond, the Conversion Value.

(ccc) **“Treasurer”** means the Treasurer and Tax Collector of the County of Los Angeles, California, or any authorized deputy thereof.

(ddd) **“Underwriter”** or **“Purchaser”** means the initial purchaser of the Series B Bonds (Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus) as identified in the Purchase Agreement.

(eee) **“Written Request”** means a written request or directive of the District provided by a Designated Officer.

Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate. Headings of sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

All references herein to “Sections” and other subdivisions are to the corresponding Sections or subdivisions of this Resolution; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Section or subdivision hereof.

Section 7. Terms of Bonds. The Series B Bonds shall be issued in one series designated “William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B.” The Series B Bonds shall consist of Current Interest Bonds, Capital Appreciation Bonds and/or Convertible Capital Appreciation Bonds as set forth in the Purchase Agreement.

The Series B Bonds shall be issued as fully-registered bonds, without coupons, in the following denominations: (i) with respect to the Current Interest Bonds, \$5,000 Principal Amount or any integral multiple thereof, (ii) with respect to the Capital Appreciation Bonds, \$5,000 Maturity Value, or any integral multiple thereof, and (iii) with respect to Convertible Capital Appreciation Bonds, \$5,000 Conversion Value or any integral multiple thereof; provided that one Capital Appreciation Bond may be issued in an odd Maturity Value.

The Current Interest Bonds, if issued, shall be dated the Date of Issuance, and shall bear interest at the rate or rates consistent with the interest cost limitations set forth in Section 5, payable on February 1 and August 1 of each year, commencing on the date specified in the Purchase Agreement (subject to the terms of the Purchase Agreement, as executed and delivered), as may be specified in the Purchase Agreement as executed and delivered (each, an “Interest Payment Date”), the actual interest rate or rates and the actual maturity schedule to be fixed at the time of sale. Each Current Interest Bond shall be issued in denominations of \$5,000 or integral multiples thereof, and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to the Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the fifteenth day of the month next preceding the initial Interest Payment Date, in which event it shall bear interest from the Date of Issuance, computed using a year of 360 days, comprised of twelve 30-day months; provided, however, that if at the time of authentication of any Current Interest Bond, interest is then in default on Outstanding Current Interest Bonds, such Current Interest Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. The foregoing terms shall be subject to the terms of the Purchase Agreement as executed and delivered.

The Capital Appreciation Bonds, if issued, shall accrete interest from the Date of Issuance of the Capital Appreciation Bonds to their maturity at a rate or rates such that the accretion rate (interest rate) shall not exceed the legal maximum rate. The Capital Appreciation Bonds shall mature in the years and shall be issued in the aggregate Denominational Amount set forth in the Purchase Agreement as executed and delivered and shall have an interest rate and shall have Denominational Amounts per each five thousand dollars (\$5,000) in Maturity Value as shown in the Accreted Value Table (or equivalent table or schedule) contained in the Purchase Agreement; provided, that in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the District and approved by the Bond Insurer, if any, by application of the definition of Accreted Value set forth in Section 9 differ, the latter amount shall be the Accreted Value of such Capital Appreciation Bond. Interest on each Capital Appreciation Bond shall be compounded semiannually on February 1 and August 1 of each year until maturity, or other such date(s) as shall be specified in the Purchase Agreement, commencing on the date of issuance thereof, computed using a year of 360 days, comprised of twelve 30-day months, and shall be payable only at maturity as to their Maturity Amounts or on their redemption date if redeemed prior to their respective stated maturity date(s).

The Convertible Capital Appreciation Bonds, if issued, shall convert to Current Interest Bonds on the Conversion Date. During the period while the Convertible Capital Appreciation Bonds are in the form of Capital Appreciation Bonds, they will not bear interest but will accrete value through the Conversion Date. From and after the Conversion Date, the Convertible Capital Appreciation Bonds will bear interest as Current Interest Bonds, and such interest will accrue based upon the Conversion Value of such Bonds at the Conversion Date. No payment will be made to the Owners of Convertible Capital Appreciation Bonds on the Conversion Date.

The Series B Bonds will be sold as provided in Sections 4 and 5 hereof; notwithstanding anything herein to the contrary, the terms of the Series B Bonds, as set forth in this Resolution, may be amended prior to delivery in accordance with the provisions of the Purchase Agreement, as finally approved and executed. The Series B Bond maturities may be adjusted by the Treasurer and the Designated Officer(s), in consultation with the Underwriter, the Financial Advisor and the District, as appropriate, to provide funds to finance school facilities as set forth in the Authorization and pay for the costs of issuance of the Series B Bonds, provided that the total par amount of the Series B Bonds shall not exceed \$45,000,000. In the event of a conflict or inconsistency between this Resolution and the Purchase Agreement relating to the terms of the Series B Bonds, the provisions and terms of the Purchase Agreement shall be controlling.

Section 8. Redemption.

(a) Optional Redemption. The terms for the optional redemption of the Current Interest Bonds, Capital Appreciation Bonds and Convertible Capital Appreciation Bonds prior to maturity, if any, shall be as specified in the Purchase Agreement.

(b) Mandatory Sinking Fund Redemption of Term Bonds. The Current Interest Term Bonds and Convertible Capital Appreciation Term Bonds after the Conversion Date, are subject to mandatory sinking fund redemption prior to their maturity date from monies in the Debt Service Fund established in Section 21 hereof, on each August 1 (or other date specified in the

Purchase Agreement), in the years and amounts as set forth in the Purchase Agreement. In the event that there are no Current Interest Term Bonds or Convertible Capital Appreciation Term Bonds specified in the Purchase Agreement, this subsection shall not apply.

(c) Mandatory Sinking Fund Redemption of Capital Appreciation Term Bonds. The Capital Appreciation Term Bonds (including any Convertible Capital Appreciation Term Bonds before the Conversion Date) are subject to mandatory sinking fund redemption prior to their maturity date from monies in the Debt Service Fund, by lot, without premium, on each August 1 (or other date specified in the Purchase Agreement), in the years and in the amounts as set forth in the Purchase Agreement and in the Official Statement described herein. In the event that there are no Capital Appreciation Term Bonds or Convertible Capital Appreciation Term Bonds specified in the Purchase Agreement, this subsection shall not apply.

(d) Selection of Bonds for Redemption. Whenever less than all of the outstanding Bonds are to be redeemed, the Paying Agent, upon written direction from the District, shall select the Bonds to be redeemed as so directed, and if not so directed in inverse order of maturity, and within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that (A) the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof, (B) the portion of any Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Maturity Value thereof, and (C) the portion of any Convertible Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Conversion Value thereof. The Paying Agent shall promptly notify the District of the Series B Bonds so selected for redemption on such date. In the event that Term Bonds are subject to optional redemption pursuant to Section 8(a), there shall be pro rata reductions in the annual sinking fund payments due on such Outstanding Term Bonds or as shall otherwise be set forth in the Purchase Agreement.

(e) Form of Notice of Redemption. The Paying Agent shall give notice of each designated redemption ("Redemption Notice") of the Series B Bonds at the expense of the District. Such Redemption Notice shall specify: (a) that the Series B Bonds or a designated portion thereof are to be redeemed; (b) if less than all of the then outstanding Bonds are to be called for redemption, shall designate the numbers (or state that all Series B Bonds between two stated numbers both inclusive have been called for redemption) and CUSIP[®] numbers, if any, of the Series B Bonds to be redeemed; (c) the date of notice and the date of redemption; (d) the place or places where the redemption will be made; and (e) descriptive information regarding the Series B Bonds and the specific Series B Bonds to be redeemed, including the dated date, interest rate and stated maturity date of each. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Series B Bond to be redeemed, the portion of the Principal Amount of such Series B Bond to be redeemed, together with interest accrued or accreted, as applicable, to the date of redemption, and redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue or accrete, as applicable.

(f) Provision of Notice of Redemption. Any Redemption Notice shall be mailed, first class postage, to the registered Owners of the Series B Bonds, to a Securities Depository and to a

national Information Services, and by first class mail, postage prepaid, to the District and County and the respective Owners of any registered Series B Bonds designated for redemption at their addresses appearing on the Bond Register, in every case at least thirty (30) days, but not more than sixty (60) days, prior to the designated redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Series B Bonds nor entitle the Owner thereof to interest beyond the date given for redemption. A certificate provided by the Paying Agent that notice of such redemption has been given as herein provided shall be conclusive as against all parties, and it shall not be open to a Bond Owner to show that he or she failed to receive notice of such redemption. In case of the redemption as permitted herein of all the Outstanding Bonds of any one maturity, notice of redemption shall be given by mailing as herein provided, except that the notice of redemption need not specify the serial numbers of the Series B Bonds of such maturity.

Neither failure to receive or failure to send, to the Securities Depositories or Information Services, any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Series B Bonds. Neither the failure to receive such notice, the failure to send such notice, nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Series B Bonds or the cessation of accrual or accretion of interest, as applicable, represented thereby from and after the redemption date.

(g) Contingent Redemption; Rescission of Redemption. Any Redemption Notice may specify that redemption of the Series B Bonds designated for redemption on the specified date will be subject to the receipt by the District of monies sufficient to cause such redemption (and will specify the proposed source of such monies), and neither the District nor the County will have any liability to the Owners of any Series B Bonds, or any other party, as a result of the District's failure to redeem the Series B Bonds designated for redemption as a result of insufficient monies therefor.

Additionally, the District may rescind any optional redemption of the Series B Bonds, and notice thereof, for any reason on any date prior to the date fixed for such redemption by causing written notice of the rescission to be given to the Owners of the Series B Bonds so called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Series B Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission. Neither the District nor the County will have any liability to the Owners of any Series B Bonds, or any other party, as a result of the District's decision to rescind redemption of any Series B Bonds pursuant to the provisions of this subsection.

(h) Payment of Redeemed Bonds. When a Redemption Notice has been given substantially as provided for herein, and, when the amount necessary for the redemption of the Bonds called for redemption (Principal, Accreted Value and interest, as applicable, and premium, if any) is set aside for that purpose in the Debt Service Fund, as provided herein, the Series B Bonds designated for redemption shall become due and payable on the date fixed for redemption thereof and upon presentation and surrender of said Bonds at the place specified in the

Redemption Notice, said Bonds shall be redeemed and paid at the redemption price from funds held in the Debt Service Fund.

Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Series B Bonds shall bear or include the CUSIP® number identifying, by issue and maturity, the Series B Bonds being redeemed with the proceeds of such check or other transfer.

(i) Effect of Notice of Redemption. Notice having been given as aforesaid, and the monies for the redemption (including the interest to the applicable date of redemption) having been set aside in the District's Debt Service Fund, or another dedicated fund or account, the Series B Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Series B Bonds to be redeemed as provided in this Section 8, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid (and not rescinded), then from and after such redemption date, interest with respect to the Series B Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Series B Bonds shall be held in trust for the account of the Owners of the Series B Bonds so to be redeemed. All unpaid interest payable at or prior to the designated redemption date shall continue to be payable to the respective Owners, but without interest thereon.

(j) Purchase in Lieu of Redemption. In lieu of, or partially in lieu of, any mandatory sinking fund redemption of Series B Bonds pursuant to the terms hereof, monies in the Debt Service Fund may be used to purchase the Outstanding Series B Bonds that were to be redeemed with such funds in the manner hereinafter provided. Purchases of Outstanding Series B Bonds may be made by the District or the Treasurer through the Paying Agent prior to the selection of Series B Bonds for redemption at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) not more than par plus accrued or accreted interest as applicable. Any accrued interest payable upon the purchase of Series B Bonds may be paid from the Debt Service Fund for payment of interest on the next following Interest Payment Date. Any Series B Bond purchased in lieu of redemption shall be transmitted to the Paying Agent and shall be canceled by the Paying Agent upon surrender thereof, as provided for in Section 8(l) below and shall not be re-issued or resold.

(k) Partial Redemption of Series B Bonds. Upon the surrender of any Series B Bond redeemed in part only, the Paying Agent shall authenticate and deliver to the Owner thereof a new Series B Bond or Series B Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Series B Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(l) Cancellation of Redeemed Bonds. All Series B Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section and Section 15 shall be canceled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Series B Bond purchased by the Treasurer or the District pursuant to subsection (i)

above shall be canceled by the Paying Agent and the Paying Agent shall provide a written certification of such cancellation and destruction to the District.

(m) **Bonds No Longer Outstanding.** When any Series B Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient monies shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Series B Bonds or portions thereof, and, in the case of Series B Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Series B Bonds shall no longer be deemed outstanding and shall be surrendered to the Paying Agent for cancellation upon the respective redemption date(s).

Section 9. Form of Bonds; CUSIP® Numbers. The Series B Bonds shall be substantially in conformity with the standard form of registered school district bonds, copies of which are attached hereto as Exhibit “B” (as to the Current Interest Bonds), Exhibit “C” (as to the Capital Appreciation Bonds) and Exhibit “D” (as to the Convertible Capital Appreciation Bonds) and incorporated herein by this reference as if set forth in full, with necessary or appropriate variations, omissions and insertions as may be permitted or required by this Resolution and to conform with the requirements of the Purchase Agreement. One bond certificate shall be issued for each maturity of the Current Interest Bonds of the same interest rate and one bond certificate shall be issued for each maturity of the Capital Appreciation Bonds.

“CUSIP®” identification numbers shall be imprinted on the Series B Bonds, but such numbers shall not constitute a part of the contract evidenced by the Series B Bonds and any error or omission with respect thereto shall not constitute cause for refusal of the Purchaser to accept delivery of and pay for the Series B Bonds. In addition, failure on the part of the County or the District to use such CUSIP® numbers in any notice to Owners of the Series B Bonds shall not constitute an event of default or any violation of the District’s contract with such Owners and shall not impair the effectiveness of any such notice.

Section 10. Execution of Bonds; Authentication. The Series B Bonds shall be executed by the manual or facsimile signature of the Mayor and the Treasurer, or any designated deputy of the Treasurer, and countersigned by the manual or facsimile signature of the Clerk of the County Board or any designated deputy. The facsimile signatures of the Mayor, the Treasurer and the Clerk of the County Board may be printed, lithographed, engraved, typewritten or otherwise mechanically reproduced. The County Board hereby directs that the provisions of Education Code Sections 15181 and 15182 shall apply to such execution of the Series B Bonds.

In case any of such officers who shall have signed or attested any of the Series B Bonds shall cease to be such officers before the Series B Bonds so signed or attested shall have been authenticated or delivered by the Paying Agent, or issued by the County, such Series B Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the County as though those who signed and attested the same had continued to be such officers, and also any Series B Bonds may be signed and attested on behalf of the County by such persons as at the actual date of execution of such Series B Bonds

shall be the proper officers of the County although at the nominal date of such Series B Bonds any such person shall not have been such officer of the County.

No Series B Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Series B Bond is signed by the Paying Agent as authenticating agent for the Series B Bonds. Authentication by the Paying Agent shall be conclusive evidence that the Series B Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

Section 11. Delivery of Series B Bonds. The proper officials of the District and the County shall cause the Series B Bonds to be prepared and, following their sale, shall have the Series B Bonds executed and delivered (as set forth herein), to the original purchaser (Underwriter) upon payment of the purchase price in immediately available funds as set forth in the Purchase Agreement.

Section 12. Bond Registration; Transfers. As hereinafter provided, the Bonds shall be delivered in a form and with such terms as will permit them to be in book-entry only form, deposited through the facilities of DTC. If the book-entry only system is no longer in effect, the District will cause the Paying Agent to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of certificated Bonds as provided in this Section ("Bond Register") and which Bond Register shall, upon reasonable notice, be open to inspection by the District. While the book-entry only system is in effect, such books need not be kept, as the Bonds will be represented by one Bond for each maturity registered in the name of Cede & Co., as nominee for DTC.

Subject to the provisions of Section 13 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal and premium, if any, of and interest on any Bond shall be made only to or upon the order of the Owner thereof; neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of the same series of any other authorized denomination upon presentation and surrender at the principal corporate trust office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent in its capacity as bond registrar. Any Bond may, in accordance with its terms (but only if the District determines no longer to maintain the book-entry only status of the Bonds, DTC determines to discontinue providing such services and no successor securities depository is named or DTC requests the District to deliver certificated securities to particular DTC Participants, as deemed below), be transferred, upon the books required to be kept pursuant to the provisions of this Section, by the Owner, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

If manual signatures on behalf of the County are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the County. In all cases of exchanged or transferred Bonds, the County shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be canceled by the Paying Agent. The District and the County may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District and the County may have acquired in any manner whatsoever, and those Bonds shall be promptly canceled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District and the County by the Paying Agent and updated annually. The canceled Bonds shall be destroyed by the Paying Agent in accordance with its procedures as confirmed in writing to the District.

Neither the District, the County nor the Paying Agent will be required to: (a) issue or transfer any Bonds during a period beginning with the opening of business on the 16th day of the month next preceding either any Interest Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given, or (b) transfer any Bonds which have been selected or called for redemption in whole or in part.

Section 13. Book-Entry System. Except as provided below, the owner of all of the Bonds shall be The Depository Trust Company, New York, New York ("DTC" or "Depository"), and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The Bonds shall be initially executed and delivered in the form of a single, fully-registered Bond for each maturity (which may be typewritten). Upon initial execution and delivery, as provided for herein, the ownership of such Bond shall be registered in the Bond Register in the name of the Nominee identified below as nominee of The Depository Trust Company, New York, New York, and its successors and assigns. Except as hereinafter provided, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to this Section ("Nominee"). With respect to the Bonds registered in the Bond Register in the name of the Nominee, neither the District nor the Paying Agent shall have any responsibility or obligation to any broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as securities depository ("Participant") or to any person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the District nor the Paying Agent shall have any responsibility or obligation (unless the District is at such time the Depository) with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person, other than an Owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of

redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be redeemed in the event the District redeems the Bonds in part, or (iv) the payment to any Participant or any other person, other than an Owner of a Bond as shown in the Bond Register, of any amount with respect to the principal and premium, if any, of or interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment of principal and premium, if any, of and interest with respect to such Bond, for the purpose of giving notices of redemption, if applicable, and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal and premium, if any, of and interest on the Bonds only to or upon the order of the respective Owner of the Bond, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal and premium, if any, of and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner of a Bond, as shown in the Bond Register, shall receive a Bond evidencing the obligation of the District to make payments of principal and premium, if any, of and interest. Upon delivery by the Depository to the Owners of the Bonds and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Resolution shall refer to such nominee of the Depository.

In order to qualify the Bonds for the Depository's book-entry system, the District is executing and delivering to the Depository a Representation Letter. The execution and delivery of the Representation Letter shall not in any other way limit the provisions of this Section or in any other way impose upon the District any obligation whatsoever with respect to persons having interests in the Bonds other than the owners of the Bonds, as shown on the Bond Register. In addition to the execution and delivery of the Representation Letter, the District shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Bonds for the Depository's book-entry program.

In the event: (i) the Depository determines not to continue to act as securities depository for the Bonds; or (ii) the Depository shall no longer so act and gives notice to the District of such determination, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered Bond, per maturity, registered in the name of such successor or substitute qualified securities depository or its nominee. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in the Bond Register in the name of the Nominee, but shall be registered in whatever name or names Owners of the Bonds transferring or exchanging Bonds shall designate, in accordance with provisions of this Resolution, and the District shall prepare and deliver Bonds to the Owners thereof for such purpose.

In the event of a reduction in aggregate principal amount of Bonds Outstanding or an advance refunding of part of the Bonds Outstanding, Depository in its discretion, (a) may request the District to prepare and issue a new Bond or (b) may make an appropriate notation on the

Bond indicating the date and amounts of such reduction in principal, but in such event the District records maintained by the Paying Agent shall be conclusive as to what amounts are Outstanding on the Bond, except in the case of final maturity in which case the Bond must be presented to the Paying Agent prior to payment.

Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository and acceptable to the District. The initial depository under this Section shall be the Depository. The initial nominee shall be Cede & Co., as Nominee of the Depository.

The County, the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series B Bonds and neither the County, the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including the Depository or its Nominee for any failure of the Depository or its Nominee to provide notices, distribute payments on the Series B Bonds nor take other actions concerning the beneficial owners of the Series B Bonds which are the responsibility of the Depository or its Nominee. As to the District, the foregoing is subject to the express provisions of the Representation Letter.

Section 14. Paying Agent.

(a) The County Board does hereby appoint the Treasurer as Paying Agent for the Series B Bonds. All fees and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District. The District shall function as, or appoint, the dissemination agent for the Series B Bonds and shall perform, or cause to be performed, all duties and obligations as set forth in the Continuing Disclosure Certificate, as described in Section 22 hereof.

(b) The Paying Agent may, at any time, resign as Paying Agent upon 60 days' prior written notice to the Treasurer and the District, and the Paying Agent may be removed at any time upon 30 days' written notice by the District. If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which shall be a bank or trust company doing business in and having a principal corporate trust office in Los Angeles County, California, with at least \$50,000,000 in assets and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution. Such Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective only upon appointment and acceptance of a successor Paying Agent. The Paying Agent shall keep accurate records of all funds administered by it and of all Series B Bonds paid and discharged by it. Such records shall be provided, upon reasonable request and reasonable notice to the Paying Agent, in a format mutually agreeable to the District, the Paying Agent and the County.

(c) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any monies held by it as Paying Agent to its successor. In the event of a replacement of the Paying Agent, the Paying Agent shall serve in such capacity until the successor Paying Agent has accepted such position and appointment. The County shall promptly cause to be mailed, at the District's expense, the name and principal corporate trust office address of the Paying Agent appointed to replace any resigned or removed Paying Agent to the Information Services and to DTC.

(d) Any company or association into which a successor Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company or association to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided that such company or association shall be eligible under Section 14(b), shall be the successor to the Paying Agent and all of the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding. All costs associated with the Paying Agent's merger or consolidation with another bank or trust company shall be paid by the successor Paying Agent. No expense resulting from such merger or consolidation shall be billed to the District.

(e) The Paying Agent may, to the extent permitted by applicable law, become the Owner of any of the Outstanding Series B Bonds.

(f) The District shall be responsible to pay all fees, costs and expenses of the Paying Agent, subject to the provisions of Section 16 hereof.

(g) All documents received by the Paying Agent under the provisions of this Resolution shall be retained in its possession at the Office of the Paying Agent and shall be subject during business hours and upon reasonable notice to the inspection of the District or the Owners and their agents and representatives duly authorized in writing.

Section 15. Payment of Principal and Interest. The Principal, premium, if any, and Accreted Value of, and interest on, the Series B Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Paying Agent. Interest on Current Interest Bonds and Convertible Capital Appreciation Bonds after the Conversion Date shall be paid on each Bond Payment Date by check mailed by first-class mail to the person in whose name the Bond is registered, and to that person's address appearing on the Bond Register (as described in Section 12) on the Record Date. The Owner of an aggregate Principal Amount of Current Interest Bonds or Maturity Value of Convertible Capital Appreciation Bonds of \$1,000,000 or more may request, in writing, prior to the close of business on the fifteenth (15th) day of the month preceding each Interest Payment Date, to the Paying Agent that such Owner be paid interest by wire transfer to the bank within the continental United States and account number on file with the Paying Agent as of the Record Date.

Payments of Principal and redemption premiums, if any, with respect to the Current Interest Bonds, and the payments of Accreted Value and redemption premiums, if any, with respect to the Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, shall be

payable at maturity or redemption upon surrender at the office of the Paying Agent, or such other location as the Paying Agent shall designate to the County and the District in writing. In the event the Paying Agent shall provide written notice of a change in the location for payment of Principal, redemption premiums and Accreted Value on the Bonds, the Paying Agent shall thereafter provide notice of such change to the Information Services and Securities Depositories of such change. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity and to cancel all Bonds upon payment thereof.

In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day with the same effect as if made on such non-Business Day.

The Series B Bonds are the general obligations of the District secured by *ad valorem* taxes levied and collected pursuant to the Authorization, the California Constitution and State law and do not constitute an obligation of the County except to provide for the levy and collection of the *ad valorem* taxes and payment of funds to the Paying Agent as set forth in Section 16 hereof. No part of any fund of the County is pledged or obligated to the payment of the Series B Bonds.

Section 16. Source of Payment; Security for the Series B Bonds. The County acknowledges receipt of the District Resolution, as adopted, and the requests made therein by the District to levy, collect and distribute *ad valorem* tax revenues pursuant to Education Code Sections 15250, *et seq.* to pay for Principal and Conversion Value and Accreted Value of, and interest on, the outstanding Series B Bonds when and if sold. Correspondingly, and subject to the issuance and sale of the Series B Bonds, and transmittal of information concerning the debt service requirements thereof to the appropriate County officers, there shall be levied by the County on all of the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Series B Bonds are outstanding (commencing with the debt service requirements set forth in the Purchase Agreement) in an amount sufficient to pay the Principal and Conversion Value and Accreted Value of, and interest on, the Series B Bonds when due, which tax revenues, when collected, will be placed in the Debt Service Fund, which Debt Service Fund has been irrevocably pledged for the payment of the Principal and Conversion Value and Accreted Value of, and interest on, the Series B Bonds when and as the same become due. The monies held in the Debt Service Fund, to the extent necessary to pay the Principal and Conversion and Accreted Value of, and interest on, the Series B Bonds as the same become due and payable, shall be transferred by the County to the Paying Agent as necessary to pay the principal of and interest on the Series B Bonds as set out in California law, and in the District Resolution and herein.

The monies in the Debt Service Fund, to the extent necessary to pay the Principal and Conversion Value and Accreted Value of, interest on, and redemption premium, if any, on the Series B Bonds as the same become due and payable, shall be transferred by the Treasurer, or his or her designee or deputy, to the Paying Agent (sufficiently in advance of each Interest Payment Date to allow for timely payment by the Paying Agent of Principal and Conversion Value and Accreted Value, interest on, and redemption premium, if any, on the Series B Bonds) who in turn, shall pay such monies to the Depository to pay the Principal and Conversion Value and Accreted Value of, interest on, and redemption premium, if any, on the Series B Bonds when

due. The Depository will thereupon make payments of Principal and Conversion Value and Accreted Value of, interest on, and redemption premium, if any, on the Series B Bonds to the Depository Participants who will thereupon make payments of Principal and Conversion Value and Accreted Value, interest on, and redemption premium, if any, to the beneficial owners of the Series B Bonds. Any monies remaining in the Debt Service Fund after the Series B Bonds, the interest thereon and redemption premium, if any, have been paid, or provision for such payment has been made, shall be transferred to the General Fund of the District pursuant to the Education Code Section 15235, or any successor section thereto.

Section 17. Defeasance. The Series B Bonds may be defeased prior to maturity in the following ways:

(a) Cash: By irrevocably depositing with a bank or trust company, in escrow, an amount of cash which, together with amounts then on deposit in the Debt Service Fund, is sufficient to pay all Series B Bonds Outstanding, including all Principal and interest and premium, if any; or

(b) Defeasance Securities: By irrevocably depositing with a bank or trust company, in escrow, noncallable Defeasance Securities, permitted under Section 149(d) of the Code thereto, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and monies then on deposit in the Debt Service Fund, together with the interest to accrue thereon, be fully sufficient to pay and discharge all Series B Bonds (including all Principal and interest represented thereby and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any Series B Bonds shall not have been surrendered for payment, all obligations of the District or the County with respect to all Outstanding Series B Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of the Series B Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section and Section 18, “Defeasance Securities” shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidence of direct ownership or proportionate interests in future interest or principal payments of such obligations (which shall not be required to carry any particular or designated rating(s)). In the case of investments in such proportionate interests, such shall be limited to circumstances wherein: (a) a bank or trust company acts as custodian and holds the underlying Defeasance Securities; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying Defeasance Securities; and (c) the underlying Defeasance Securities are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claims of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed “AAA” by Standard & Poor’s if the Series B

Bonds are then rated by Standard & Poor's, and/or "Aaa" by Moody's Investors Service if the Series B Bonds are then rated by Moody's Investors Service.

For purposes of this Section 17 and Section 18, the escrow agent bank and verification agent shall be selected by the District. Any such escrow bank or trust company shall conform to the successor paying agent requirements of Section 16 hereof. All costs for defeasance of the Series B Bonds shall be paid by the District.

Section 18. Partial Defeasance. A portion of the then-Outstanding maturities of the Series B Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with a bank or trust company, in escrow, an amount of cash which, together with amounts then on deposit in the Debt Service Fund, together with the interest to accrue thereon, be fully sufficient to pay and discharge all Series B Bonds (including all Principal and interest represented thereby and redemption premiums, if any) at or before their maturity date; or

(b) Defeasance Securities: By irrevocably depositing with a bank or trust company, in escrow, noncallable Defeasance Securities, permitted under Section 149(d) of the Code thereto together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon, be fully sufficient to pay and discharge the designated Outstanding maturities of the Series B Bonds (including all Principal and interest represented thereby and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such designated maturities of Series B Bonds shall not have been surrendered for payment, all obligations of the District or the County with respect to such Outstanding maturities of Series B Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section 18, to the Owners of the Series B Bonds of such maturities designated for redemption not so surrendered and paid all sums due with respect thereto.

Section 19. Establishment of Funds; Disposition of Proceeds of the Bonds; Investment.

(a) A portion of the proceeds of the Series B Bonds, which may include a portion of any premium paid thereof, shall be used to pay at maturity the 2009 Notes. Such proceeds, as designated in writing by the District, shall, upon delivery by the Underwriter, be transferred to the Escrow Agent, for deposit into an escrow fund established pursuant to the provisions of the Escrow Agreement and expended pursuant to the terms thereof. Such deposited funds to be applied to the payment of the outstanding 2009 Notes at maturity thereof. The Treasurer is authorized and directed to assist in such transfer and deposit of funds, as may be requested by the District. Any proceeds of the Series B Bonds remaining in any fund or account allocated for the payment of the 2009 Notes have been paid or defeased shall be transferred into the Debt Service Fund and applied as set forth herein.

(b) A portion of the proceeds of the sale of the Bonds necessary to pay all, or a portion, of the costs of issuing the Series B Bonds and refunding the 2009 Notes may be deposited in the fund to be established and held with the Paying Agent, or a qualified banking or financial institution, as shall be determined by the District, to be designated as the “William S. Hart Union High School District Series B Bonds Costs of Issuance Fund” (the Costs of Issuance Fund) and shall be kept separate and distinct from all other District and County funds and accounts, and those proceeds shall be used solely for the purpose of paying costs of issuance of the Series B Bonds and refunding the 2009 Notes. Funds held in the Costs of Issuance Fund shall be disbursed at the written direction of the District to pay costs of issuing the Series B Bonds and paying and refunding the 2009 Notes. Upon the payment in full of all costs of issuance for the Series B Bonds and refunding the 2009 Notes, which shall be determined by a Written Request to the holder of such fund to that effect by a Designated Officer, the holder of such fund shall transfer all funds remaining in the Costs of Issuance Fund, if any, to the Debt Service Fund. Upon the occurrence of such transfer, the holder of the Costs of Issuance Fund shall confirm such transfer to the District and the County Treasurer and then close that fund.

(c) The accrued interest, if any, and any premium received by the County or the District from the sale of the Series B Bonds, as well as tax revenues collected by the County pursuant to Section 16 hereof and Sections 15250 *et seq.* of the Education Code, shall be deposited and kept separate and apart in the fund established and held by the Treasurer and designated as the “William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B Bonds Debt Service Fund” (“Debt Service Fund”) for the Series B Bonds and used for payments of Principal, Maturity Value, Conversion Value and Accreted Value of, interest on, and redemption premium, if any, on the Series B Bonds when and as such become due. *Ad valorem* taxes collected by the County pursuant to State law and Section 16 hereof shall be deposited by the County into the Debt Service Fund and applied, pursuant to the provisions of State law and this Resolution, only for payments of Principal, Maturity Value, Conversion Value and Accreted Value of, interest on and redemption premium, if any, on the Series B Bonds when due. Funds held in the Debt Service Fund are irrevocably pledged to the payment of Principal, Maturity Value, Conversion Value and Accreted Value of, interest on and redemption premium, if any, on the Series B Bonds when due. Except as required below to satisfy the requirements of Section 148(f) of the Code, as may be applicable, interest earned on investments of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay Principal, Maturity Value, Conversion Value and Accreted Value of, interest on, and redemption premium, if any, on the Series B Bonds when and as such become due. Prior to each such Bond Payment Date (and subject to the applicable provisions of Section 16 hereof), the Treasurer shall transfer to the Paying Agent, for subsequent disbursement to the beneficial Owners of the Series B Bonds, pursuant to the provisions hereof, monies from the Debt Service Fund sufficient to pay Principal, Maturity Value, Conversion Value and Accreted Value of, interest on and premium (if any) on the Series B Bonds due on such Bond Payment Date. The Paying Agent shall hold all such monies transferred to it, pursuant to the foregoing sentence, uninvested. If, after payment in full of all Principal, Maturity Value, Conversion Value and Accreted Value, redemption premium, if any, and interest on the Series B Bonds, there remain funds in the Debt Service Fund, any such excess amounts shall be transferred to the General Fund of the District.

(d) The District shall, at such time as shall be necessary, establish and create the “William S. Hart Union High School District, Series B Bonds Rebate Fund” (“Rebate Fund”),

which fund shall be kept separate and distinct from all other District and County funds or accounts, and into which the District shall deposit, or direct deposit of, funds used to satisfy any requirement to make rebate payments to the United States of America pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder as shall be applicable to the Series B Bonds. The Rebate Fund (if and when established pursuant to the requirements of the Tax Certificate) may, at the discretion of the District, be held by the Paying Agent. Responsibility for determining and calculating rebate payments, if any, due with regard to the Series B Bonds is the sole responsibility of the District as further set forth in Section 23 and in the District Resolution. Monies in the Rebate Fund shall be invested, at the District's direction, in compliance with the limitations of the Code.

(e) Any proceeds of the Series B Bonds in the Costs of Issuance Fund, inclusive of interest earnings, not needed for the authorized purposes set forth herein shall be transferred to the Debt Service Fund and applied to the payment of Principal, Accreted Value and interest on the Series B Bonds at the written direction of the District as set forth above.

(f) (i) Proceeds of the Series B Bonds and proceeds of taxes collected for the payment of Principal, Accreted Value and interest on the Series B Bonds (as further described above) and deposited into the Debt Service Fund (for purposes of this subsection only "Bond Funds") shall be invested by the Treasurer as set forth herein.

(ii) The Treasurer is hereby authorized and directed to invest the Bond Funds, at the Treasurer's discretion, in Authorized Investments.

(iii) Notwithstanding the paragraph (ii) above, at the written direction of the District, given by the Superintendent or the Chief Financial Officer of the District all or any portion of the Bond Funds may be invested on behalf of the District in Authorized Investments, including, but not limited to, investment agreements which comply with the requirements of each rating agency which may then be rating the Series B Bonds necessary in order to maintain the then-current rating on the Series B Bonds or in the Local Agency Investment Fund established by the State Treasurer.

Section 20. Bond Insurance. In the event the District elects to purchase bond insurance for all or a portion of the Series B Bonds, and to the extent that the Bond Insurer makes payment of the Principal or Accreted Value of, or interest on, the Series B Bonds (or specific maturities thereof), it shall become the Owner of such Series B Bonds (or specific maturities thereof) with the right to payment of Principal and Accreted Value of, or interest on, the Series B Bonds (or specific maturities thereof), and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the Bond Register upon receipt of a copy of the canceled check issued by the Series B Bond Insurer for the payment of such interest to the Owners of the Series B Bonds, and (ii) in the case of subrogation as to claims for past due Principal, the Paying Agent shall note the Bond Insurer as subrogee on the Bond Register upon surrender of the Series B Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer. The officers and officials of the County are authorized to take all other and further necessary actions to arrange for the delivery of the bond insurance policy, if such is purchased by, or on

behalf of, the District and for the Series B Bonds. In the event that the Bond Insurer requires additional agreements, covenants or conditions to the issuance of the bond insurance policy, the Designated Officer may deliver or agree to such; provided, however, that applicable law(s) shall be complied with and any such agreement, covenants or conditions shall be consistent with the this Resolution and the District Resolution and be satisfactory to the Designated Officer.

Section 21. Official Statement. The District has authorized, and shall be responsible for, preparing a preliminary and final Official Statement for the Series B Bonds meeting the requirements of Securities and Exchange Commission (“SEC”) Rule 15c2-12. Such preliminary Official Statement and final Official Statement are collectively referred to herein as the “Official Statement.” The distribution of the Preliminary Official Statement prior to the date of this Resolution is not objectionable to the County. Neither the County Board nor any officer of the County has prepared or reviewed the Official Statement of the District describing the Series B Bonds, and this County Board and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section(s) contained, or to be contained, therein describing the County's current portfolio holdings as they may relate to funds of the District held by the County Treasurer. The County Treasurer is hereby authorized and directed to prepare and review such information for inclusion in the District's Official Statement and the Preliminary Official Statement, and to certify in writing prior to or upon the issuance of the Series B Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

Section 22. Continuing Disclosure. “Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate entered into by the District, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

The District has covenanted and agreed that it will comply with and carry out all of the terms and conditions of the Continuing Disclosure Certificate (as defined above), which shall be entered into by District and delivered at the time of delivery of the Series B Bonds. Notwithstanding any other provisions of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered a default by the District hereunder or under the Series B Bonds; however, any underwriter or any holder or beneficial Owner of the Series B Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 23. Tax and Arbitrage Matters.

(a) The District, has represented that it shall not take any action, or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Series B Bonds under Section 103 of the Code.

(b) The District has covenanted to restrict the use of the proceeds of the Series B Bonds in such manner and to such extent, if any, as may be necessary, so that the Series B Bonds will not constitute “arbitrage bonds” under Section 148 of the Code and the applicable regulations prescribed under that section or any successor section. Calculations for determining

arbitrage requirements, and payment of any required monies, are the sole responsibility of the District.

(c) The District in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Series B Bonds, has covenanted to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code, as set forth in the Tax Certificate to be provided to the District by Bond Counsel, on the date of initial delivery of the Series B Bonds, and executed by the District, and incorporated herein by this reference as a source of guidance for compliance with such provisions.

(d) The District has covenanted to at all times do and perform all other acts and things necessary or desirable and within its powers to assure, for the purposes of California personal and federal income taxation, that the tax-exempt status of the interest paid on the Series B Bonds to the recipients thereof will be preserved.

(e) Notwithstanding any other provision of this Resolution to the contrary, upon the District's failure to observe, or refusal to comply with, the above covenants, no person other than the Owners of the Series B Bonds shall be entitled to exercise any right or remedy provided to such Owners under this Resolution on the basis of the District's failure to observe, or refusal to comply with, the above covenants.

Section 24. County Books and Accounts. The Paying Agent and the County will keep, or cause to be kept, proper books of record and accounts to record (i) the amount of taxes collected pursuant to Section 16 hereof, (ii) all deposits, expenditure and investment earnings on the Debt Service Fund and any and all accounts or subaccounts thereof, and (iii) all transfers of funds for the payment of Principal, interest, Accreted Value or redemption premiums on the Series B Bonds. Such books of record and accounts shall at all times during business hours, upon reasonable notice, be subject to the inspection of the District and the Owners of not less than ten percent (10%) of the Principal amount of the Series B Bonds then Outstanding, or their representatives authorized in writing.

Section 25. Execution of Documents by Bond Owners. Any request, consent or other instrument required by this Resolution to be signed and executed by Bond Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Bond Owners in person or by their agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the County, and the District, if made in the manner provided in this Section 25.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgements of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him the execution thereof.

The ownership of the Series B Bonds shall be proved by the Bond Register. Any request, consent or vote of the Owner of any Series B Bond shall bind every future Owner of the same

Series B Bond and the Owner of any Series B Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the County or the District, in pursuance of such request, consent or vote.

Section 26. Unclaimed Monies. Notwithstanding any of the foregoing provisions of this Resolution and subject to the escheat laws of the State, any monies held by the Paying Agent for the payment of the principal and Accreted Value of, redemption premium, if any, or interest on Series B Bonds remaining unclaimed for one year after the corresponding maturity or redemption date for such Series B Bonds shall be returned by the Paying Agent to the Treasurer, with any and all interest accrued thereon, for deposit into the Debt Service Fund. Notwithstanding any other provisions of this Resolution and subject to the escheat laws of the State, any monies held in any fund created pursuant to this Resolution, or by the Paying Agent in trust, for the payment of the Principal or Accreted Value of, redemption premium, if any, or interest on Series B Bonds and remaining unclaimed for one year after the Principal of all of the Series B Bonds have become due and payable (whether by maturity or upon prior redemption) shall be, after payment in full of the Series B Bonds, transferred to the General Fund of the District to be applied in accordance with law; provided, however, that the Paying Agent, or the District, before making such payment, shall cause notice to be mailed to the Owners of all Bonds that have not been paid, by first-class mail at the addresses on the Bond Register, postage prepaid, not less than 90 days prior to the date of such payment.

Section 27. Conditions Precedent. This County Board determines that all acts and conditions necessary to be performed by the County precedent to and in the issuing of the Series B Bonds, in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; that this County Board has the power and is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon without limitation as to rate or amount upon all property within the District subject to taxation (except for certain classes of personal property).

Section 28. Amendments. The County may from time to time (which may be at the request of the District, made in writing), and at any time, without notice to or consent of any of the Owners, by action of the County Board, amend the provisions of this Resolution for any of the following reasons:

(a) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein or therein, or to make any other provision with respect to matters or questions arising under this Resolution, provided that such action shall not adversely affect the interests of the Bond Owners;

(b) to add to the covenants and agreements of and the limitations and the restrictions upon the District contained in this Resolution which are not contrary to or inconsistent with this Resolution as theretofore in effect; and/or

(c) to modify, alter, amend or supplement this Resolution in any other respect which is not materially adverse to the Bond Owners.

In the event of any such amendment, the County shall promptly provide the District and the Paying Agent with copies of such amendment and the action of the County Board approving such amendment. Notice of any such amendment shall also be provided to the Owners by the District in the next occurring Annual Report provided by the District under the terms of the Continuing Disclosure Certificate.

No such amendment shall: (i) extend the fixed maturity of any Series B Bond, reduce the amount of Principal or Accreted Value thereof or the rate of interest thereon or extend the time of payment thereof, without the consent of the Owner of each Series B Bond so affected, or (ii) modify or amend this Section without the consent of the Owners of all the Series B Bonds then outstanding.

Upon the adoption of any amendment pursuant to this Section, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the County, the District, the Paying Agent and all Owners shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such amendment shall be deemed to be part of the terms and conditions of this Resolution for any and all purposes.

The provisions of this Section shall not prevent any Owner from accepting any modification or amendment as to the particular Series B Bonds held by such Owner.

Section 29. Benefits Limited to Parties. Nothing in this Resolution, express or implied, is intended to give to any person other than the County, the District, the Paying Agent and the Owners of the Series B Bonds, any right, remedy or claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District or the County, are for the sole and exclusive benefit of the County, the District, the Paying Agent and the Owners.

Section 30. Acceptance of Payment of County Costs. This County Board hereby accepts the District's offer of payment of the County's costs for the authorization, issuance and sale of the Series B Bonds and authorizes County officers to provide an invoice to the District for all such costs incurred.

Section 31. Approval of Actions. Officers of the County Board and County officials and staff, including the Treasurer and the County Auditor and Controller, or their designee(s), are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance and sale of the Series B Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 32. Partial Invalidity; Severability. If any one or more of the covenants or agreements, or portions thereof, provided in this Resolution to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall in no way affect the validity of this Resolution or of the Series B

Bonds; but the Bond Owners shall retain all rights and benefits accorded to them under any applicable provisions of law. The County Board hereby declares that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Series B Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 33. Effective Date. This Resolution shall take effect immediately upon adoption.

Section 34. Clerk's Certificate. The Clerk of the County Board is hereby directed to provide certified copies of this Resolution to the Treasurer, the County Auditor and Controller and to Bond Counsel immediately following its adoption.

[Remainder of the page is blank.]

The foregoing Resolution was on the 8th day of November, 2011, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



SACHI A. HAMAI, Executive Officer-Clerk of the Board of Supervisors of the County of Los Angeles

By: Benjamin Zavala
Deputy

APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN
COUNTY COUNSEL

By: Ommy D. Park
Principal Deputy County Counsel

EXHIBIT “A”

FORM OF BOND PURCHASE AGREEMENT

\$[Principal Amount]
**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
GENERAL OBLIGATION BONDS,
2008 ELECTION, SERIES B**

BOND PURCHASE AGREEMENT

November __, 2011

County of Los Angeles Treasurer and Tax Collector
500 West Temple Street
Los Angeles, California 90012

Governing Board
William S. Hart Union High School District
21515 Centre Pointe Parkway
Santa Clarita, California 91350

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus, as Underwriter (the “**Underwriter**”) offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the County of Los Angeles, California, (the “**County**”) and the William S. Hart Union High School District (the “**District**”) which, upon acceptance hereof, will be binding upon the County, the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Agreement by the County and the District and delivery of such acceptance to the Underwriter at or prior to 5:00 p.m., California time, on the date hereof.

Capitalized terms used but not defined in this Purchase Agreement have the meanings given in the County Resolution (as defined below).

The County and the District acknowledges and agrees that (i) the purchase and sale of the Bonds (as hereinafter defined) pursuant to this Purchase Agreement is an arm’s-length commercial transaction among the County, the District and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and not as the agent or fiduciary of the County or the District, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the County or the District with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the County or the District on other matters) or (b) any other obligations to the County or the District except the obligations expressly set forth in this Purchase Agreement and (iv) the County and the District have consulted their own legal, financial and other advisors to the extent each has deemed appropriate in connection with this transaction.

1. Purchase and Sale of the Bonds. (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell, in the name

and on behalf of the District, to the Underwriter for such purpose, all (but not less than all) of \$[Principal Amount] in aggregate principal amount of the District's general obligation bonds captioned above (the "**Bonds**").

(b) The Underwriter shall purchase the Bonds at a price of \$[Purchase Price], which is equal to the \$[Principal Amount] principal amount of the Bonds, plus an original issue premium of _____, less an Underwriter's discount of \$_____ [(less bond insurance premium paid directly to the bond insurer)]. In addition, the Underwriter shall pay \$_____ to U.S. Bank National Association, as Escrow Agent for the 2009 Notes (as further defined below) as further set forth in Section 13 herein. [The Series B Bonds will be insured by Assured Guaranty Municipal Corp (the "Insurer").]

2. The Bonds. (a) The Bonds shall be issued as capital appreciation bonds ("**Capital Appreciation Bonds**") and/or as convertible capital appreciation bonds ("**Convertible Capital Appreciation Bonds**") and shall accrete or bear interest at the rates, shall mature in the years and shall pay principal and accrued and accreted interest on the dates as set forth on Exhibit A attached to this Purchase Agreement and incorporated herein by this reference. The Bonds shall be dated their date of delivery.

(b) The Bonds shall otherwise be as described in, and shall be issued and secured pursuant to the provisions of, the resolution of the District adopted on [November 7], 2011 (the "**District Resolution**"), the resolution of the Board of Supervisors of the County adopted on [November 8], 2011 (the "**County Resolution**" and collectively with the District Resolution, the "**Resolutions**"), certain provisions of the California Constitution, California Government Code Sections 53506 *et seq.*, and the California Education Code, specifically Sections 15100 *et seq.*, 15266 and 15140 *et seq.* (collectively, the "**Act**"), and other applicable provisions of law.

(c) Certain provisions for the optional and mandatory sinking fund redemption of the Bonds, not otherwise specified in the Resolutions, are shown in Exhibit A hereto, all as provided in the Resolutions.

(d) The Bonds shall be executed and delivered under and in accordance with this Purchase Agreement and the Resolutions. The Bonds shall be in book-entry form, shall bear CUSIP® numbers and shall be in fully registered form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("**DTC**"), New York, New York. The Bonds shall initially be in authorized denominations of \$5,000 maturity value each or any integral multiple of \$5,000. The form of the Bonds shall be made available to the Underwriter for purposes of inspection at least three business days prior to the Closing (as defined below).

(e) The Treasurer and Tax Collector of Los Angeles County (the "**Paying Agent**") shall serve as the initial authenticating agent, bond registrar, transfer agent and paying agent for the Bonds.

[The Series B Bonds will be insured by Assured Guaranty Municipal Corp (the "Insurer").]

3. Use of Documents. (a) The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Agreement, the Official Statement (defined below), the District Resolution and the Escrow Agreement (defined below), and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement (except as such documents otherwise provide).

(b) The County hereby authorizes the Underwriter to use this Purchase Agreement and the County Resolution and all information contained herein and therein and all of the documents, certificates or statements furnished by the County to the Underwriter in connection with the transactions contemplated by this Purchase Agreement (except as such documents otherwise provide).

4. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the inside cover page of the Official Statement and Exhibit A hereto. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as it deems necessary in connection with the marketing of the Bonds. The Series B Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market; and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

5. Preliminary and Final Official Statement; Continuing Disclosure.

(a) The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated [November 8], 2011 (the “**Preliminary Official Statement**”). The District represents that it deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), yield(s) to maturity, selling compensation, aggregate principal amount and maturity value, denominational amount and maturity value per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“**Rule 15c2-12**”) and consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Bonds by the Underwriter.

(b) The Underwriter agrees that prior to the time the final Official Statement (as defined herein) relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. The Preliminary Official Statement and/or the Official Statement may be delivered in printed and/or electronic form to the extent permitted by applicable rules of the Municipal Securities Rulemaking Board (“**MSRB**”) and as may be agreed to by the District and the Underwriter. The District confirms that it does not object to distribution of the Preliminary Official Statement or the Official Statement in electronic form. A copy of the most recent Preliminary Official Statement sent to a potential purchaser shall be sent by first class mail or electronically (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

(c) The Underwriter hereby represents that it will provide, consistent with the requirements of MSRB Rule G-32, for the delivery of a copy of the Official Statement to each customer who purchases any Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and deliver a copy of the Official Statement to a national repository on or before the Closing Date (as defined below), and that it will otherwise comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and Rule 15c2-12.

(d) References herein to the Preliminary Official Statement and the final Official Statement include the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto.

(e) To assist the Underwriter in complying with Rule 15c2-12(b)(5), the District will undertake, under the Resolutions and a continuing disclosure certificate (the **“Continuing Disclosure Certificate”**), to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

6. Closing. At 9:00 a.m., California time, on [November __], 2011, or at such other time or on such other date as may be mutually agreed upon by the County, the District and the Underwriter, the County and the District will deliver to the Underwriter, through the facilities of DTC utilizing DTC’s FAST delivery system, or at such other place as the County, the District and the Underwriter may mutually agree upon, the Bonds in fully-registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Bowie, Arneson, Wiles & Giannone (**“Bond Counsel”**) in Newport Beach, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by wire transfer to the County on behalf of the District. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the **“Closing”** and the date on which the Closing occurs is herein called the **“Closing Date.”**

7. Representations, Warranties and Agreements of the District. The District hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The District is a school district duly organized and validly existing under the laws of the State of California, with the power to request the issuance of the Bonds pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Agreement, the Continuing Disclosure Certificate and the Escrow Agreement, to adopt the District Resolution, to perform its obligations under the District Resolution and the County Resolution; (iii) and this Purchase Agreement, the Continuing Disclosure Certificate and the Escrow Agreement constitute valid and legally binding obligations of the District.

(c) Consents. Except for the actions of parties hereto, no consent, approval, authorization, order, filing, registration, qualification, election or referendum of or by any court or governmental agency or public body whatsoever is required in connection with the execution and delivery of this Purchase Agreement, the Continuing Disclosure Certificate or the Escrow Agreement, the issuance, delivery or sale of the Bonds or the consummation of the other transactions contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained.

(d) Internal Revenue Code. The District has covenanted to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds and the District shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income

for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Agreement, the Continuing Disclosure Certificate, the Escrow Agreement, the Resolutions and the Bonds, and the compliance with the provisions hereof or thereof, do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution, and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof and based on the advice of Bowie, Arneson, Wiles & Giannone, District counsel (“**District Counsel**”), no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District:

(i) in any way affecting the existence of the District or in any way challenging the respective powers of the several officers of the District required to execute any documents or certificates in connection with the delivery of the Bonds or of the titles of the officials of the District to such offices; or

(ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of taxes of the District pledged or to be pledged or available to pay the principal of and interest on the Bonds, or the pledge thereof, or, the levy of any taxes contemplated by the Resolutions; or

(iii) in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement, the Continuing Disclosure Certificate, the Escrow Agreement or the Resolutions, or contesting the powers of the District or its authority with respect to the Bonds, the Resolutions, this Purchase Agreement, the Continuing Disclosure Certificate or the Escrow Agreement or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or

(iv) in which a final adverse decision could (a) result in any material adverse change in the ability to pay debt service on the Bonds, (b) adversely affect the consummation of the transactions contemplated by this Purchase Agreement or the Resolutions, (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation, or (d) declare this Purchase Agreement, the Continuing Disclosure Certificate or the Escrow Agreement to be invalid or unenforceable in whole or in material part.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District directly, nor any other governmental agency or other body on behalf of the District, will have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money *except for* such borrowings as may be described in or contemplated by the Preliminary Official Statement and the Official Statement.

(h) Prior Continuing Disclosure Undertakings. Except as disclosed in the Preliminary Official Statement, the District has not failed to comply in all material respects with any prior undertakings under Rule 15c2-12(b)(5) within the past five years.

(i) Certificates. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof and on the Closing Date, the Final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

(k) Levy of Tax. The District hereby agrees to take any and all actions as may be required by the County or otherwise necessary in order to arrange for the levy and collection of taxes, the payment of the Bonds and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide, or arrange to provide, the following to the Auditor-Controller and the Treasurer-Tax Collector of the County, all in accordance with and to the extent required by Education Code Section 15140(c): (A) a copy of the District Resolution, (B) a copy of Exhibit A hereto, and (C) the full debt service schedule for the Bonds.

8. Representations, Warranties and Agreements of the County. The County hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The County is a political subdivision duly organized and validly existing under the laws of the State of California, with the power to issue the Bonds pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the County will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Agreement, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter on behalf of the District and to perform its obligations under each such document or instrument; and (iii) assuming the due authorization, execution and delivery by the other parties thereto, this Purchase Agreement constitutes a valid and legally binding obligation of the County.

(c) No Conflicts. To the best knowledge of the County, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, the County Resolution, and the Bonds, and the compliance with the provisions hereof, do not conflict with or constitute on the part of the County a violation of or default under the Constitution of the State of California or any existing charter, ordinance, or resolution, and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party.

(d) Litigation. To the best knowledge of the County, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending against the County or threatened against the County:

(i) in any way affecting the existence of the County, or in any way challenging the respective powers of the several offices or of the titles of the officials of the County who will be required to execute documents and certificates in connection with the delivery of the Bonds to such offices; or

(ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the levy of any taxes or the pledge thereof contemplated by the Resolutions, or

(iii) in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement or the County Resolution or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution, or this Purchase Agreement; or

(iv) in which a final adverse decision could (a) materially adversely affect the operations of the County related to the transactions contemplated by this Purchase Agreement or the Resolutions or (b) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part.

(e) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the County will not have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(f) Official Statement. The information in the Official Statement in “APPENDIX G – THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS” to the best of the County’s knowledge, as of the Closing, contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(g) Certificates. Any certificates signed by an authorized officer of the County and delivered to the Underwriter shall be deemed a representation by the County to the Underwriter, but not by the person signing the same, as to the statements made therein.

9. Representations, Warranties and Agreements of the Underwriter. The Underwriter represents to and agrees with the County and the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Purchase Agreement and to take any action under this Purchase Agreement required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the County and the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship with the County or the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

(d) The Underwriter has reasonably determined that the District's undertaking in the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds is sufficient to effect compliance with Rule 15c2-12.

10. Covenants of the County and the District. The County and the District, respectively, covenant and agree with the Underwriter that:

(a) Securities Laws. The County and the District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the County and the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof.

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes for which the Bonds were authorized.

(c) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the 7th business day following the date this Purchase Agreement is signed, and in sufficient time to accompany any confirmation that requests payment from any customer, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as are accepted by the Underwriter and the District, (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the **"Official Statement"**) in such quantities (including a representative number of originally executed copies) as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12 and with the rules of the MSRB and the District authorizes the Underwriter to file, to the extent required by applicable Securities and Exchange Commission or MSRB rule, and the Underwriter agrees to file or cause to be filed, the Official Statement with the MSRB or its designee (including the MSRB's Electronic Municipal Market Access system) or other repositories approved from time to time by the Securities and Exchange Commission (either in addition to or in lieu of the filings referred to above).

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect in any material respect the accuracy or completeness of any information set forth in the Official Statement relating to the District, until the date which is 90 days following the Closing or until such time (if earlier) as the Underwriter no longer holds any of the Bonds for sale.

(e) Amendments to Official Statement. During the period ending on the twenty-fifth day after the End of the Underwriting Period (as defined below), the District (i) will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter objects in writing or which is disapproved by the Underwriter (the Underwriter's approval of such amendment or supplement may not be unreasonably withheld); and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary, to make the statements therein, in the light of the circumstances under which they were made, not misleading. If in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall immediately prepare and furnish to the Underwriter (at the expense of the District) a reasonable number of copies of an amendment of or supplement to the Official

Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time such supplemental Official Statement is delivered to a purchaser, not misleading. If any such amendment or supplement of the Official Statement shall occur after the Closing Date, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such amendment or supplement to the Official Statement. For purposes hereof, the phrase “**End of the Underwriting Period**” shall occur on the later of (a) the Closing Date or (b) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the Closing Date.

11. Division of Responsibility between District and County. It is specifically acknowledged and agreed by and between the District and the County that the County shall have no responsibility or liability to ensure or provide compliance with those provisions of this Purchase Agreement which are to be performed solely by the District.

12. Conditions to Closing. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the County and the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriter’s obligations under this Purchase Agreement are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the County and the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing shall be true, complete and correct in all material respects on the date of the Closing; and each of the County and the District shall be in compliance with each of the agreements made by it in this Purchase Agreement.

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Agreement, the Continuing Disclosure Certificate, the Escrow Agreement, the District Resolution and the County Resolution shall be in full force and effect and may not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; and (ii) all actions under the Act which, in the opinion of Bond Counsel are necessary in connection with the transactions contemplated hereby, must have been duly taken and must be in full force and effect.

(c) Adverse Rulings. No decision, ruling or finding may be entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the County or the District, may be pending or threatened which would constitute a ground for termination of this Purchase Agreement by the Underwriter, or which contests in any way the completeness or accuracy of the Official Statement.

(d) Delivery of Documents. At or prior to the date of the Closing, the District shall deliver (or cause to be delivered) sufficient copies of the following documents, in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(1) Bond Opinion. An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District.

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the approving opinion described above.

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, dated as of the Closing Date, substantially to the following effect:

(i) This Purchase Agreement has been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the Underwriter and the County, constitutes a valid, legal and binding agreement of the District enforceable in accordance with its terms except as such enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditors' rights or remedies and is subject to general principles of equity (regardless of whether such enforcement is considered in equity or at law).

(ii) The statements contained in the Official Statement on the cover and under the headings "INTRODUCTION" (other than under the subheadings "Application for Bond Insurance" and "Other Information" as to which no opinion need be expressed), "THE BONDS," "SECURITY FOR THE BONDS," and "LEGAL MATTERS – Tax Exemption," and in Appendix D thereto, insofar as such statements purport to describe certain provisions of the Bonds, the Resolutions, or to state legal conclusions and Bond Counsel's opinion regarding the tax-exempt nature of the Bonds (but excluding Appendices A, B, C and F, and information regarding [Bond Insurance, the Bond Insurer,] DTC and its book-entry only system), are true and correct in all material respects.

(iii) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(4) Disclosure Counsel Letter. A letter of Jones Hall, A Professional Law Corporation, as disclosure counsel to the District ("**Disclosure Counsel**"), addressed to the Underwriter, the County and the District, dated the Closing Date, to the effect that:

(i) during the course of serving as Disclosure Counsel in connection with the issuance of the Bonds and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, no information came to the attention of the attorneys in such firm rendering legal services in connection with the issuance of the Bonds that would lead them to believe that the Official Statement (excluding therefrom the financial statements, any financial or statistical data, forecasts, charts, numbers, estimates, projections, assumptions or expressions of opinion included in the Official Statement and the appendices to the Official Statement, information regarding DTC and its book-entry only system, and the investment policies of the County, as to which no opinion need be expressed), as of the date thereof or the Closing Date, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(ii) the Bonds are exempt from registration under the Securities Act of 1933, as amended.

(5) Certificate of the District. A certificate signed by appropriate officials of the District to the effect that:

(i) such officials are authorized to execute this Purchase Agreement, the Continuing Disclosure Certificate and the Escrow Agreement;

(ii) the representations, agreements and warranties of the District in this Purchase Agreement are true and correct in all material respects as of the date of Closing;

(iii) the District has complied with all the terms of the District Resolution, the County Resolution and this Purchase Agreement to be complied with prior to or concurrently with the Closing and such documents are in full force and effect; and

(iv) the District has reviewed the Preliminary Official Statement and the Official Statement and on such basis certifies that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and as of the Closing Date does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, excepting therefrom those sections of the Official Statement describing [Bond Insurance, Bond Insurer,] DTC and its Book-Entry-Only System, the investment policies of the County and any other information provided by the County; and

(v) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading.

(6) Certificate of the County. A certificate signed by appropriate officials of the County to the effect that

(i) such officials are authorized to execute this Purchase Agreement;

(ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing;

(iii) the County has complied with all the terms of the County Resolution and this Purchase Agreement to be complied with by the County prior to or concurrently with the Closing; and

(iv) to the best of its knowledge, as of the Closing, the information set forth in Appendix G to the Preliminary Official Statement and the Official Statement, describing the Los Angeles County Investment Pool, is accurate.

(7) Arbitrage. A non-arbitrage (tax) certificate of the District in a form satisfactory to Bond Counsel.

(8) District Resolution. A certificate, together with fully executed copies of the District Resolution, of the Clerk of the District Governing Board to the effect that: (i) such copies are true and correct copies of the District Resolution, and (ii) the District Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(9) County Resolution. An original adopted County Resolution or a certificate, together with fully executed copies of the County Resolution, of the Executive Officer-Clerk of the County Board of Supervisors, to the effect that (i) such copies are true and correct copies of the County Resolution, and (ii) the County Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(10) District Counsel Opinion. An opinion of Counsel to the District in the form attached as Exhibit B.

(11) County Counsel Opinion. An opinion of Counsel to the County in substantially the form attached hereto as Exhibit C

(12) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with Rule 15c2-12.

(13) Continuing Disclosure Certificate. An execution copy of the Continuing Disclosure Certificate of the District in substantially the form attached as an appendix to the Preliminary Official Statement.

(14) Underwriter's Certifications. At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds and the payment of the purchase price thereof, the underwriter will provide (or cause to be provided) to the District:

(i) the receipt of the Underwriter, in form satisfactory to the County and the District and signed by an authorized officer of the Underwriter, confirming delivery of the Bonds to the Underwriter, receipt of all documents required by the Underwriter, and the satisfaction of all conditions and terms of this Purchase Agreement by the County and the District, respectively, and confirming to the County and the District that as of the Closing Date all of the representations of the Underwriter contained in this Purchase Agreement are true, complete and correct in all material respects; and

(ii) the certification of the Underwriter regarding the prices at which the Bonds have been reoffered to the public in substantially the form attached as Exhibit C.

(15) [Municipal Bond Insurance]. Evidence satisfactory to the Underwriter that the payment of the Series B Bonds for maturities due August 1, 20__, August 1, 20__ and August 1, 20__, shall have been insured by a policy of municipal bond insurance by the Bond Insurer that unconditionally guarantees the timely payments of the debt service associated with those Series B Bonds with maturities from August 1, 20__, August 1, 20__ and August 1, 20__;]

(16) [Bond Insurer's Certificate]. A certified copy of a certificate of the Bond Insurer in form and substance satisfactory to Bond Counsel and the Underwriter.]

(17) Bond Insurer's Counsel Opinion. An opinion dated the Closing Date, addressed to the Underwriter, of counsel to the Bond Insurer in form and substance satisfactory to Bond Counsel and the Underwriter.]

(18) Certificate Regarding Savings as a Result of Insurance. The certification of the _____, in form satisfactory to Bond Counsel, that the present value of the accreted interest saved as a result of the policy of municipal bond insurance with respect to the Series B Bonds maturing August 1, 20__, August 1, 20__ and August 1, 20__ by the Bond Insurer exceeds the premium paid for said insurance, and said premium is not unreasonable.]

(19) Ratings. Evidence satisfactory to the Underwriter that the Bonds have been rated “___” by Moody's Investors Service and “___” by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business (“Standard & Poor's”), [as a result of municipal bond insurance provided by the Bond Insurer], evidence that the underlying ratings of the Bonds is “___” by Moody's Investors Service and “___” by Standard & Poor's and evidence that none of these ratings has been revoked or downgraded].

(20) Letter of Representations. A copy of the signed Letter of Representations as filed with DTC.

(21) Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(22) CDIAC Statements. A copy of the filings with the California Debt and Investment Advisory Commission pursuant to the applicable provisions of the California Government Code.

(23) Escrow Agreement relating to 2009 Notes. A copy of the Escrow Agreement by and between the District and U.S. Bank National Association relating to the payment of the 2009 Notes.

(24) Defeasance Opinion. A defeasance opinion of Bond Counsel, dated the Closing Date, addressed to the District and the Underwriter relating to payment of the 2009 Notes in form and substance satisfactory to the Underwriter and the District.

(25) Escrow Agent Counsel Opinion. An opinion of counsel to the Escrow Agent, addressed to the Underwriter and dated the date of the closing, to the effect that:

(i) the Escrow Agent is a national banking association, duly organized and validly existing under the laws of the United States, having full corporate power and being qualified to enter into and perform the Escrow Agreement; and

(ii) the Escrow Agreement has been duly authorized, executed and delivered by the Escrow Agent and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of the Escrow Agent enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.

(26) General Resolution of the Escrow Agent. A certified copy of the general resolution of the Escrow Agent authorizing the execution and delivery of certain documents by certain officers of the Escrow Agent, which resolution authorizes the execution and delivery of the Escrow Agreement.

(27) Certificate of Escrow Agent. A certificate of the Escrow Agent, dated the date of Closing, to the effect that as of the date of Closing (i) the Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of the United States having the full power and authority to enter into and perform its duties under the Escrow Agreement; (ii) the Escrow Agent has duly authorized, executed and delivered the Escrow Agreement, and by all proper corporate action has authorized the acceptance of the duties and obligations of the Escrow Agent under the Escrow Agreement; (iii) the execution and delivery by the Escrow Agent of the Escrow Agreement and compliance with the terms thereof will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Escrow Agent is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Escrow Agent or any of its activities or properties, or (except with respect to the lien of the Escrow Agreement) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Escrow Agent; (iv) exclusive of federal or state securities laws and regulations, other than routine filings required to be made with governmental agencies in order to preserve the Escrow Agent's authority to perform a trust business (all of which routine filings, to the best of the Escrow Agent's knowledge, have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Escrow Agent is or will be required for the execution and delivery by the Escrow Agent of the Escrow Agreement; and (v) there is no litigation pending or threatened against or affecting the Escrow Agent to restrain or enjoin the Escrow Agent's participation in, or in any way contesting the powers of the Escrow Agent with respect to the transactions contemplated by the Escrow Agreement or in any way contesting or affecting the validity or enforceability of the Escrow Agreement.

(28) Verification Report. A verification report and opinion addressed to the District and the Underwriter, dated the date of the Closing, from Causey, Demgen & Moore, Inc., in form and substance acceptable to Bond Counsel and the Underwriter with respect to the sufficiency of moneys held under the Escrow Agreement to pay the 2009 Notes as provided in the Escrow Agreement.

(29) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence (i) compliance by the County and the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the County and the District herein contained, and (ii) the due performance or satisfaction by the County and the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the County or the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations are terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be canceled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the County and

the District in writing, or by telephone or facsimile, confirmed in writing.

Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the County and the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

13. Underwriter's Right to Terminate. (a) Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds have not been delivered by the County to the Underwriter prior to the close of business, Pacific Standard Time, on November [___], 2011, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect.

(b) In addition, the Underwriter has the right to terminate this Purchase Agreement, without liability therefor, by notification to the District if at any time at or prior to the Closing, upon the occurrence of any of the following events:

(1) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States or a member of the President's Cabinet, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or any order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income, for purposes of federal income taxation, of the interest received by the owners of the Bonds;

(2) an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(3) legislation enacted by or introduced into the legislature of the State of California (the "**State**"), or favorably reported out of committee or a decision rendered by a court of the State, or a ruling, order, or regulation (final or temporary) made by State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof;

(4) the declaration of war or engagement in major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or the financial community in the United States;

(5) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(6) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(7) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(8) the withdrawal or downgrading of any rating of the District's outstanding indebtedness by a national rating agency; or

(9) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and which the District fails or is unwilling to correct by the submission of supplemental information.

14. Conditions to Obligations of the County and the District. The performance by the County and the District of their respective obligations under this Purchase Agreement is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

15. Expenses and Other Matters. (a) The District shall pay from the proceeds of the Bonds [the costs and expenses incurred in the issuance and sale of the Bonds, as described in subsection (b) below [and with the consent of the County from original issue premium retained by the Underwriter the bond insurance premium paid directly to the bond insurer] in an aggregate amount estimated at \$_____ from bond proceeds [and in an aggregate amount of \$_____ from original issue premium]. The District directs the Underwriter to pay to U.S. Bank National Association, as custodian pursuant to a custodian agreement between the District and U.S. Bank \$_____ from the net proceeds of the Bonds which the District anticipates to use for such purposes. If the proceeds allocated to such purpose exceed the costs of issuance, such excess amount shall be paid over to the County, on behalf of the District, for deposit in the [Building Fund] for the Bonds under the District Resolution. If the costs of issuance exceed the net original issue premium allocated to such purpose, such excess costs of issuance shall be paid by the District as set forth in Section 13(e), below.

(b) Costs of issuance of the Bonds include, but are not limited to, the following: (i) the cost of the preparation and reproduction of the Resolutions; (ii) the fees and disbursements of Bond Counsel, Disclosure Counsel, District Counsel, Financial Advisor and other consultants to the District; (iii) the cost of the preparation and delivery of the Bonds; (iv) the fees, if any, for bond ratings, including all necessary travel expenses; (v) the cost of the printing and distributing the Preliminary Official Statement and the Official Statement; (vi) the initial fees, if any, of the Paying Agent; (vii) the fees and expenses of the County with respect to its participation in the issuance of the Bonds; (viii) verification agent fees; (ix) escrow agent; and (x) [the premium for any policy of municipal bond insurance insuring payment of the Bonds].

(c) The Underwriter shall pay to U.S. Bank National Association, as Paying Agent in connection with the payment of the 2009 General Obligation Bond Anticipation Notes of the William S. Hart Union High School District (the “**2009 Notes**”), \$[42,447,875.25] (of which \$[3,447,875.25] (relating to the interest payment on the 2009 Notes due on December 1, 2011, and relating to previously funded capitalized interest not funded with premium from the 2009 Notes) shall be paid solely from the premium retained by the Underwriter under Section 1 hereof and transmitted to the Escrow Agent and the balance shall be paid from the net proceeds of the Bonds).

(d) All out-of-pocket expenses of the Underwriter, including without limitation the fees and expenses of Underwriter’s counsel, the California Debt and Investment Advisory Commission fee, travel and other expenses (except as provided above), shall be paid by the Underwriter.

(e) [Except to the extent paid by the Underwriter under the preceding,] the District shall pay any expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds. The District and the Underwriter intend that the District will pay all expenses of issuer’s employees that are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation and lodging of those employees, and the District shall reimburse the Underwriter if the Underwriter pays for any of such expenses on behalf of the District.

16. Notices. Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing as follows:

If to the County: Treasurer and Tax Collector of the County of Los Angeles
500 West Temple Street, Room 437
Los Angeles, CA 90012

If to the District: Superintendent
William S. Hart Union High School District
21515 Centre Pointe Parkway
Santa Clarita, CA 91350

If to the Underwriter: Stone & Youngberg, a Division of Stifel Nicolaus
515 South Figueroa Street, Suite 1800
Los Angeles, CA 90071
Attn: Dawn Vincent, Managing Director

Notices may be given by personal or courier delivery, registered or certified mail, facsimile transmission or electronic communication, provided that delivery by facsimile transmission or electronic communication must be confirmed by the sender.

17. Parties in Interest; Survival of Representations and Warranties.

(a) This Purchase Agreement when accepted by the County and the District in writing as set forth above, shall constitute the entire agreement among the County, the District and the Underwriter. This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). The term “successor” shall not include any owner of any Bonds merely by virtue of such holding. No person shall acquire or have any rights hereunder or by virtue hereof.

(b) All representations, warranties and agreements of the County and the District in this Purchase Agreement shall survive regardless of (i) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, and (ii) delivery of and payment by the Underwriter for the Bonds hereunder.

18. Severability. If any provision of this Purchase Agreement is held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

19. Nonassignment. Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior consent of the other party hereto.

20. Entire Agreement. This Purchase Agreement, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto, including their permitted successors and assigns, respectively

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; EXECUTION PAGE FOLLOWS]

21. Applicable Law. This Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in the State of California.

Very truly yours,

STIFEL, NICOLAUS & COMPANY, INCORPORATED
dba Stone & Youngberg, a Division of Stifel Nicolaus

By: _____
Managing Director

The foregoing is hereby agreed to and accepted as of the date first above written:

COUNTY OF LOS ANGELES

By: _____
Mark J. Saladino
Treasurer and Tax Collector

APPROVED AS TO FORM:
Andrea Sheridan Ordin
County Counsel

By: _____
Principal Deputy County Counsel

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT

By: _____
Authorized Officer

EXHIBIT A

**[\$(Principal Amount)]
WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
GENERAL OBLIGATION BONDS,
2008 ELECTION, SERIES B**

CERTAIN BOND TERMS AND MATURITY SCHEDULES

Accrual and Payment of Interest

Capital Appreciation Bonds will not bear interest on a current basis, but will accrete interest from the date of issuance to maturity.

Maturity Schedules

\$_____ Capital Appreciation Serial Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Initial Principal</u> <u>Amount</u>	<u>Reoffering Yield</u> <u>to Maturity</u>	<u>Approximate</u> <u>Accretion Rate</u>	<u>Maturity Value</u>
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\$_____ Original Principal Amount of Term Capital Appreciation Bonds due August 1, 20__
Maturity Value \$_____ – Yield to Maturity ____% – Accretion Rate ____%

\$_____ Original Principal Amount of Term Capital Appreciation Bonds due August 1, 20__
Maturity Value \$_____ – Yield to Maturity ____% – Accretion Rate ____%

\$_____ Convertible Capital Appreciation Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Original</u> <u>Principal</u> <u>Amount</u>	<u>Conversion</u> <u>Date</u>	<u>Approximate</u> <u>Accretion</u> <u>Rate</u>	<u>Maturity</u> <u>Value</u>	<u>Coupon Upon</u> <u>Conversion</u>
	\$		%	\$	%

REDEMPTION PROVISIONS

Capital Appreciation Bonds. The Capital Appreciation Bonds are not subject to optional redemption before maturity.

Mandatory Sinking Fund Redemption. The Capital Appreciation Term Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption in part by lot, on August 1 of each year, commencing August 1, 20__, and on each August 1 thereafter in accordance with the schedule set forth below. The Capital Appreciation Term Bonds so called for mandatory sinking fund redemption will be redeemed at the Accreted Value (as defined in the County Resolution) of the Capital Appreciation Term Bonds to be redeemed, without premium.

Capital Appreciation Term Bond Due August 1, 20__	
Mandatory Sinking Fund	Accreted Value
Redemption Dates	Amount to
<u>(August 1)</u>	<u>be Redeemed</u>
20__	\$ _____
20__	
20__	
20__	
20__ (maturity)	

Capital Appreciation Term Bond Due August 1, 20__	
Mandatory Sinking Fund	Accreted Value
Redemption Dates	Amount to
<u>(August 1)</u>	<u>be Redeemed</u>
20__	\$ _____
20__	
20__	
20__	
20__ (maturity)	

The Convertible Capital Appreciation Term Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption in part by lot, on August 1 of each year, commencing August 1, 20__, and on each August 1 thereafter in accordance with the schedule set forth below. The Capital Appreciation Term Bonds so called for mandatory sinking fund redemption will be redeemed at the Conversion Value (as defined in the District Resolution) of the Convertible Capital Appreciation Term Bonds to be redeemed, without premium.

Convertible Capital Appreciation Term Bond Due August 1, 20__	
Mandatory Sinking Fund Redemption Date	Conversion Value
<u>(August 1)</u>	<u>To Be</u>
	<u>Redeemed(1)</u>
20	\$ _____
20	
20	
20__	
20	
20__ (maturity)	

(1) Equals the initial par amount, plus interest accreted to the conversion date..

EXHIBIT B
FORM OF DISTRICT COUNSEL OPINION

_____, 2011

William S. Hart Union High School District
21515 Centre Pointe Parkway
Santa Clarita, California 91350

Stone & Youngberg, a Division of Stifel Nicolaus
515 South Figueroa Street, Suite 1800
Los Angeles, California 90071

Re: \$_____] William S. Hart Union High School District
 General Obligation Bonds of the, 2008 Election, Series B
 Opinion of District Counsel

Ladies and Gentlemen:

We have acted as District Counsel to the William S. Hart Union High School District (“District”) in connection with the proceedings for the issuance and sale by the District of \$_____ principal amount of William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B (“Bonds”). The Bonds are being issued pursuant to the Resolution of Issuance of the Board of Trustees of the District, adopted on November 7, 2011 (Resolution No. 11/12-19) (“Bond Resolution”), and a Resolution of the Board of Supervisors of the County of Los Angeles (“County”), adopted on November [8], 2011 providing for the issuance and sale of the Bonds (“County Resolution” and “collectively with the District Resolution, the “Bond Resolution”) and in accordance with the provisions of the California Constitution, the statutory authority set forth in Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the State of California Government Code, commencing with Section 53506 and pursuant to the statutory authority set forth in California Education Code Section 15266(b), and, as applicable, the provisions of Title 1, Division 1, Part 10, Chapters 1 and 2 of the California Education Code, commencing with Section 15100 and related California law.

This letter is delivered to you pursuant to Section [10(d)(10)] of the Bond Purchase Agreement for the Bonds dated November [___], 2011 (“Purchase Agreement”), entered into by and between the District and Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus (“Underwriter”).

Capitalized terms used herein and not otherwise defined herein shall have the meaning(s) given such term(s) in the Purchase Agreement.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. The opinions may be affected by actions or events occurring (or not occurring)

after the date hereof. We have not undertaken to determine, or to inform any person, whether (or not) any such actions or events occur. As to questions of fact material to our opinions, we have relied upon the documents and matters referred to herein, and we have not undertaken by independent investigation to verify the authenticity of signatures or the accuracy of the factual matters represented, warranted or certified therein. In making our examination of the documents referenced herein, we have assumed that each party to one or more of the documents referenced herein, other than the District, has the power to enter into and perform its obligations thereunder, has duly authorized, executed and delivered such documents, and that such documents constitute the legal, valid and binding obligations of such party. Furthermore, we have assumed all compliance with all covenants contained in the Bond Resolution and in certain other documents. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum or waiver provisions contained in the documents described herein.

As Counsel to the District, we have examined a record of the proceedings in connection with the execution and delivery of the Bonds, including, without limitation, the following:

- (i) the proceedings relating to the call and conduct of the general obligation bond election conducted on November 4, 2008, within the boundaries of the District (“Election”);
- (ii) the District Resolution;
- (iii) the County Resolution;
- (iv) the Purchase Agreement;
- (v) the Continuing Disclosure Certificate provided by the District with respect to the Bonds, dated as of _____, 2011 (“Continuing Disclosure Certificate”);
- (vi) the Official Statement, dated as of _____, 2011 (“Official Statement”), prepared with respect to the Bonds; and
- (vii) such other documents, including, but not limited to, certificates of the District and the County delivered in connection with the issuance of the Bonds, as we have deemed necessary to render the opinions set forth below.

With regard to the opinion expressed in paragraph (3) below, we have conducted a search for existing civil actions as against the District, which has consisted of searches of records within the Los Angeles County Superior Court, the Federal District Court with jurisdiction over the boundaries of the District and an electronic search for any such civil proceedings. We have also expressly relied upon the factual representations made to us by the District as to such matters. With respect to the provision of such opinion, we have presumed that the District maintains normal and customary liability insurance, insurance coverage or equivalent self-insurance, and requires normal and customary liability coverage to be carried or provided by its contractors and consultants, with respect to the protection of the District’s financial position. This opinion may be affected by actions or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether (or not) any such actions or events occur.

Attention is called to the fact the we have not been requested to examine, and have not examined, any documents or information relating to the District other than the record of proceedings herein referred to, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which

has been, or may be supplied to any purchaser of the Bonds.

The Bond Resolution and other related documents refer to certain requirements and procedures which may be changed and certain actions which may be taken, in circumstances and subject to terms and conditions set forth in such documents, upon the advice or with an approving opinion of nationally recognized bond counsel. No opinion is expressed herein as to any Bond, or any related document, if any such change is made or action is taken upon the advice or approval of counsel other than ourselves.

It is to be understood that the rights and obligations of the District under the Bond Resolution and related documents are subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws heretofore or hereafter enacted, affecting the enforcement of creditors' rights and remedies, to the application of equitable principles when equitable remedies are sought, and to the exercise of judicial discretion in appropriate cases.

Based on and subject to the foregoing, and in reliance thereon and our consideration of such questions of law as we have deemed relevant to the circumstances, and under existing law, we are of the following opinions:

1. The District is a public school district duly organized and existing under the Constitution and the laws of the State of California ("State");
2. The District Resolution was duly adopted at a meeting of the Governing Board of the District which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;
3. To the best of our knowledge based on the litigation search and other informational sources referenced herein, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the District (i) impacting the existence of the District or the titles of its officers to their respective offices, (ii) which would materially adversely impact the District's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the levy or collection of tax revenues pledged for the repayment of the Bonds or in any way contesting or affecting the validity of the Election, the Purchase Agreement, the Escrow Agreement, the Bond Resolution or the Bonds or the transactions, described in and contemplated by the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the Election, the Purchase Agreement, the Escrow Agreement, the District Resolution or the Bonds or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, or (iii) contesting the status of the interest on the Bonds as excludable from gross income for federal income tax purpose or as exempt from any applicable state tax, in each case as described in the Official Statement;
4. To the best of our knowledge, the obligations of the District under the Bonds, and the approval of the Official Statement and compliance with the provisions thereof, and the execution of and performance of the provisions of the Purchase Agreement and the Continuing Disclosure Certificate, under the circumstances contemplated thereby, do

not and will not in any material respect conflict with or constitute on the part of the District a breach of or default under any agreement or other instrument to which the District is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the District is subject;

5. The Election was validly ordered and, to the best of our knowledge, the proceedings relating thereto were conducted in compliance with all requirements of the Constitution and the laws of the State of California; and
6. No authorization, approval, consent, or other order of the State, or other governmental authority or agency within the State, is required, other than any which have been obtained or secured, for the valid authorization of the Bonds, the execution of the Purchase Agreement or the Continuing Disclosure Certificate by the District or the approval of the Official Statement.

We express no opinion with respect to the effect of laws, other than the laws and regulations of the State in full force and effect on the date hereof upon any matters set forth in this opinion.

We have not undertaken any duty and expressly disclaim any responsibility to advise you as to events occurring after the date hereof with respect to the Bonds. We have not undertaken any duty and expressly disclaim any responsibility to supplement or update this opinion letter nor to advise you or any other party if there is a change in law or facts or new facts come to our attention subsequent to the date hereof which may affect the opinions expressed above and/or which may cause us to amend any portion of this opinion letter in full or in part. Furthermore, future acts or omissions of the parties may serve to modify, alter or change the circumstances under which this opinion letter was prepared and upon which the opinions herein were rendered. We have not undertaken to determine, or to inform any person, whether (or not) any such actions or events occur. Also, actions, conduct or omissions by a party may create a situation of waiver, estoppel or novation which would supplant the opinions set forth in this opinion letter. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

The opinions expressed herein are based on the facts (as we know, believe or have assumed them to be) and law as in effect on the date of this opinion and, as such, this opinion shall be effective only as of the date of this letter. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters expressly so stated. We bring to your attention the fact that our legal opinions are an expression of professional judgment and are not a guarantee of a result. No attorney-client relationship has existed or exists between our firm and the Underwriter, and in connection with the authorization, issuance and delivery of the Bonds or related matters thereto. This opinion is issued with all the exclusions and limitations set forth herein. This letter is not to be used, circulated, quoted, or otherwise referred to by you for any other purpose whatsoever or delivered to any other person without our prior written consent.

Very truly yours,

Bowie, Arneson, Wiles & Giannone

EXHIBIT C

FORM OF OPINION OF COUNTY COUNSEL

Board of Supervisors
County of Los Angeles
Kenneth Hahn Hall of Administration 500
West Temple Street, Room 432 Los Angeles,
California 90012

William S. Hart Union High School District
21515 Centre Pointe Parkway
Santa Clarita, California 91350

Stone & Youngberg, a Division of Stifel Nicolaus
515 South Figueroa Street, Suite 1800 Los
Angeles, California 90071

**Re: \$[Principal Amount] William S. Hart Union High School District
 (Los Angeles County, California)
 General Obligation Bonds, 2008 Election, Series B**

Dear Ladies and Gentlemen:

This opinion is rendered and delivered in connection with the issuance by the Board of Supervisors of the County of Los Angeles (the “County”) on behalf of the William S. Hart Union High School District (the “District”) of \$[Principal Amount] aggregate principal amount of bonds designated “\$[Principal Amount] William S. Hart Union High School District, General Obligation Bonds, 2008 Election, Series B” (the “Bonds”). The Bonds are being issued pursuant to a resolution of the Board of Supervisors of the County of Los Angeles, California, adopted on _____, 2011, (the “County Resolution”), at the request of the District made pursuant to a resolution adopted on November [7], 2011, by the Board of Trustees of the District (the “District Resolution”).

In rendering this opinion, we have examined the County Resolution, the Bond Purchase Agreement dated _____, 2011 (the “Purchase Agreement”), among the District, the County and Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus, as Underwriter, and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

Based upon the foregoing, and solely with respect to the laws of the State of California (the “State”), we are of the opinion, as of the date hereof, that:

1. The County is a political subdivision duly organized and validly existing under the Constitution and the laws of the State of California.
2. The County Resolution approving and authorizing the execution sale and

delivery of the Purchase Agreement and the issuance of the Bonds was duly adopted at a meeting of the governing body of the County which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption has not been modified, amended, rescinded or revoked and is in full force and effect on the date hereof.

3. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending in which service of process has been completed or threatened against the County (a) affecting the existence of the County or the titles of its officers who have acted with respect to the proceedings for issuance and sale of the Bonds to their respective offices; (b) seeking to prohibit, restrain or enjoin the execution of the Purchase Agreement or the issuance of the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Purchase Agreement, or the County Resolution; (c) contesting the powers of the County or its authority to enter into, adopt or perform its obligations under the County Resolution or the Purchase Agreement; (d) seeking to restrain or enjoin the levy or collection of tax revenues pledged for payment of the Bonds or (e) in which a final adverse decision could materially adversely affect the operations of the County with respect to its ability to fulfill its obligations under the County Resolution, the Purchase Agreement or the Bonds.

4. The Purchase Agreement has been duly authorized, executed and delivered by the County and Bonds have been duly authorized by the County, executed by the County on behalf of the District and delivered by the County and, assuming due authorization, execution and delivery by the other parties thereto, the Purchase Agreement will constitute the legal, valid and binding agreement of the County enforceable against the County in accordance with its terms.

With respect to the opinions we have expressed above, enforcement of the rights and obligations under the County Resolution, the Purchase Agreement and the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles if equitable remedies are sought, and by limitations on legal remedies imposed in actions against public entities in the State. We express no opinion as to the availability of equitable remedies in connection with enforcement of the County Resolution, the Purchase Agreement or the Bonds.

ANDREA ORDIN,
County Counsel

By: _____
CAMMY DuPONT,
Principal Deputy County Counsel
Government Services Division

EXHIBIT D

FORM OF UNDERWRITER ISSUE PRICE CERTIFICATE

\$ _____

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BOND

FORM OF UNDERWRITER ISSUE PRICE CERTIFICATE

\$ _____

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B

CERTIFICATE OF THE UNDERWRITER

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus, as Underwriter ("Underwriter") of the \$[Principal Amount] William S. Hart General Obligation Bonds, 2008 Election, Series B (the "Bonds") hereby makes the representations, and provides the certifications, contained in this certificate based on the information available to it concerning the Bonds to the William S. Hart Union High School District (the "District") and Bowie, Arneson, Wiles & Giannone, Bond Counsel, as follows:

1. Issue Price.

- 1.1 As of the date a purchase agreement was signed with respect to the Bonds (the "Sale Date"), based upon expectations and actual facts, we reasonably expected to sell a substantial amount of each maturity (i.e., at least 10%) of the Bonds to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriter or wholesalers) in a bona fide public offering at the prices listed on Schedule A.
- 1.2 The Initial Offering Prices of the Bonds of each maturity (and stated accretion rates and/or yields) reflected the assessment by the Underwriter of the reasonable range of fair market prices of the Bonds as of the Sale Date.
- 1.3 As of the date of execution of the attached Tax Certificate, all of the Bonds have actually been offered to the general public at the prices listed in Attachment A.
- 1.4 As of the Sale Date, at least 10% of each maturity of the Bonds [(excluding the Bond maturities for _____)] was initially sold to the general public for the respective Initial Offering Prices.

2. Arbitrage Yield.

- 2.1 Bond Counsel has advised the Underwriter that the yield on the Bonds is to be computed under the economic accrual method using an assumed 30-day month/360-day year, and semiannual compounding, and as further described in Section [5.1] of the Tax Certificate. Bond Counsel has advised the Underwriter that the weighted average maturity of the Bonds,

for purposes of IRS Form 8038-G, is calculated as the sum of the products of the issue price of each maturity of the Bonds and the number of years to maturity of the Bonds (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue. Based upon the forgoing methodologies, the Underwriter has calculated the yield on the Bonds (___%) and the weighted average maturity of the Bonds (___ years). However, notwithstanding the foregoing, the Underwriter reminds those persons or parties who are receiving and relying upon this Certificate that the Underwriter is not an accountant or an actuary, nor is the Underwriter engaged in the practice of law. Accordingly, while the Underwriter believes the calculations described above to be correct, it does not warrant them to be so. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

3. Defined Terms

Capitalized terms used in this certificate, unless otherwise defined herein or in the resolution of the Governing Board of the District (Resolution No. 11/12-19) adopted on November [7], 2011 (“District Resolution”), shall have the meaning(s) given to such terms in the Tax Certificate provided in connection with the execution and delivery of the Bonds.

The Underwriter understands that Bond Counsel will rely upon the representations and certifications in this certificate, among other things, in reaching its conclusion that the Bonds do not constitute “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), provided, however, that nothing herein represents our interpretation of any laws, and, in particular, Regulations issued under Section 148 of the Code.

Dated: _____, 2011

STIFEL, NICOLAUS & COMPANY, INCORPORATED
dba Stone & Youngberg, a Division of Stifel Nicolaus,
as Underwriter

By: _____
Managing Director

ATTACHMENT “A”

**General Obligation Bonds, 2008 Election, Series B
Purchase Information**

Capital Appreciation Serial Bonds

Capital Appreciation Term Bonds

**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
GENERAL OBLIGATION BONDS,
2008 ELECTION, SERIES B**

RULE 15C2-12 CERTIFICATE

I certify that I am a duly appointed and acting official of the William S. Hart Union High School District (the "District"), and further hereby certify as follows:

- (1) This Certificate is delivered in connection with the offering and sale of the bonds captioned above (the "Bonds") in order to enable the underwriter of the Bonds to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule").
- (2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, setting forth information concerning the Bonds and the District (the "Preliminary Official Statement").
- (3) As used herein, "Permitted Omissions" means the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, dates of mandatory sinking fund redemption, delivery dates, ratings and other terms of the Bonds depending on such matters, all with respect to the Bonds.
- (4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final as of its date within the meaning of Rule 15c2-12.

Dated: _____, 2011

WILLIAM S. HART UNION HIGH SCHOOL
DISTRICT

By: _____
Authorized Officer

EXHIBIT "B"

FORM OF CURRENT INTEREST BOND

**STATE OF CALIFORNIA
REGISTERED
NO.**

**COUNTY OF LOS ANGELES
REGISTERED
\$**

**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B
(Los Angeles County, California)**

INTEREST RATE: _____% **MATURITY DATE:** August 1, 20__ **DATED AS OF:** _____, 2011 **CUSIP®:** _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The **WILLIAM S. HART UNION HIGH SCHOOL DISTRICT** ("District") in Los Angeles County, California ("County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 ("Bond Payment Dates"), commencing _____1, 20__. This Bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before _____15, 20__, in which event it shall bear interest from _____, 2011. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this Bond (or, if applicable, on one or more predecessor Bonds) is registered ("Registered Owner") on the Bond Register maintained by the Paying Agent, initially the Treasurer and Tax Collector of the County of Los Angeles. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal is payable upon presentation and surrender of this Bond at the principal office of the Paying Agent in Los Angeles, California. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this Bond (or one or more predecessor bonds) as shown and at the address appearing on the Bond Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date ("Record Date"). The Owner of an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying Agent that such Registered Owner be paid interest by wire transfer to the bank within the continental United States and account number on file with the Paying Agent as of the Record Date.

This Bond is one of an aggregate amount of \$_____ of Bonds issued to be used for the acquisition and construction of school facilities to serve the District under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent (55%) favorable vote of the electors of the District obtained at an election held on November 4, 2008, upon the question of issuing Bonds in the amount of \$300,000,000, the resolution of the Governing Board of the District, adopted on November 7, 2011 (“District Resolution”), and the resolution of the County Board of Supervisors adopted on November 8, 2011 (“County Resolution”). This Bond and the issue of which this Bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this issue are general obligations of the District, and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the Bonds of this issue.

The Bonds of this issue comprise (i) \$_____ principal amount of Current Interest Bonds, of which this Bond is a part (each, a “Current Interest Bond”), (ii) Capital Appreciation Bonds of which \$_____ represents the principal amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which \$_____ represents the principal amount and \$_____ represents the Conversion Value.

The Bonds of this issue are issuable only as fully-registered bonds in the denominations of \$5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the Office of the Paying Agent (as defined in the County Resolution), by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the County Resolution. Any tax or governmental charges shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

[The Current Interest Bonds maturing on or before August 1, 20__, are not subject to redemption prior to maturity. The Current Interest Bonds maturing on or after August 1, 20__, are subject to redemption at the option of the District, as a whole or in part, as shall be directed by the District, and if not so directed, in inverse order of maturities, and by lot within each maturity, from any source of available funds, on _____ 1, 20__, or on any Bond Payment Date thereafter at the following prices, expressed as a percentage of the principal amount to be redeemed, plus accrued interest represented thereby to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
_____ 1, 20__ and _____ 1, 20__	_____ %
_____ 1, 20__ and thereafter	100.0%]

[THE FOLLOWING TO APPEAR ON THE FACE OF TERM BONDS, IF ANY:]

[The Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption in part by lot, on August 1 of each year, commencing August 1, 20__, and on each August 1 thereafter in accordance with the schedule set forth below. The Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Bonds to be redeemed, plus accrued but unpaid interest, without premium.

<u>Redemption Year</u>	<u>Principal Amount</u>
_____	_____
_____	_____
_____	_____]

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot by the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in any manner which the District in its discretion shall determine.

The Paying Agent shall give notice of the Redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed; (b) the serial or registration numbers and CUSIP® numbers, if any, of the Bonds to be redeemed; (c) the date of notice and the date of redemption; (d) the place or places where the redemption will be made; and (e) descriptive information regarding the issue of Bonds and the specific bonds redeemed, including the dated date, interest rate and stated maturity date of each. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered Owner of the Bonds, or if the original purchaser is a syndicate, to the managing member of such syndicate, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices and, by first-class mail, postage prepaid, to the District, the County and the respective Owners of any registered Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least thirty (30) days, but not more than sixty (60) days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds, nor entitle the Owner thereof to interest beyond the date given for redemption.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any Bond during a period beginning with the opening of business on the 16th day of the month next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the

applicable notice of redemption is given, or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

The rights and obligations of the District and of the Registered Owners of the Bonds may be amended at any time, and in certain cases without the consent of the Registered Owners to the extent and upon the terms and conditions provided in the County Resolution.

The County Resolution contains provisions permitting the District to make provision for the payment of the interest on, and the principal and premium, if any, of any of the Bonds so that the Bonds shall no longer be deemed to be outstanding under the terms of the County Resolution.

Reference is made to the County Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this Bond assents, by acceptance hereof, to all of the provisions of the County Resolution.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the County Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the County of Los Angeles, California, has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Mayor of the Los Angeles County Board of Supervisors and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Los Angeles County Board of Supervisors, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

LOS ANGELES COUNTY, CALIFORNIA

-EXHIBIT-

By: _____
Mayor, Board of Supervisors

-EXHIBIT-

By: _____
Treasurer and Tax Collector

COUNTERSIGNED:

-EXHIBIT-

By: _____
Executive Officer-Clerk of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the County Resolution referred to herein.

Date of Registration and Authentication: _____

TREASURER AND TAX COLLECTOR OF THE COUNTY OF LOS ANGELES, Paying Agent, as authenticating agent:

By: U.S. Bank National Association, as agent:

-EXHIBIT-

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto:

(print/type name, address, zip code, tax identification or Social Security number of assignee) the within Bond and do(es) irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Paying Agent, with full power of substitution in the premises.

Date: _____

-EXHIBIT-

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change what so ever.

Signature Guaranteed:

-EXHIBIT-

Signature must be guaranteed by an eligible guarantor institution.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede and Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

FORM OF BOND COUNSEL OPINION

[Text of Opinion]

EXHIBIT "C"

FORM OF CAPITAL APPRECIATION BOND

**STATE OF CALIFORNIA
REGISTERED
NO.**

**COUNTY OF LOS ANGELES
REGISTERED
\$
(MATURITY VALUE)**

**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2008 Election, SERIES B
(Los Angeles County, California)**

ACCRETION RATE: _____ % **MATURITY DATE:** August 1, 20__ **DATE OF ISSUANCE:** _____, 2011 **CUSIP®:** _____

REGISTERED OWNER: CEDE & CO.

DENOMINATIONAL AMOUNT:

MATURITY VALUE:

The **WILLIAM S. HART UNION HIGH SCHOOL DISTRICT** ("District") in Los Angeles County, California ("County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Maturity Value on the Maturity Date, each as stated above, which Maturity Value is comprised of the Denominational Amount specified above plus interest compounded from the Date of Issuance at the Yield to Maturity specified above, assuming that the sum of such compounded interest and the Denominational Amount hereof increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months (interest, together with the Denominational Amount hereof, being herein called the "Accreted Value"). Accreted Value is payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this Bond is registered ("Registered Owner") on the Bond Register maintained by the Paying Agent, initially the Treasurer and Tax Collector of the County of Los Angeles. Accreted Value is payable upon presentation and surrender of this Bond at the principal office of the Paying Agent in Los Angeles, California.

This Bond is one of an aggregate amount of \$_____ of Bonds issued to be used for the acquisition and construction of school facilities to serve the District under authority of and

pursuant to the laws of the State of California, and the requisite fifty-five percent (55%) favorable vote of the electors of the District obtained at an election held on November 4, 2008, upon the question of issuing Bonds in the amount of \$300,000,000, the resolution of the Governing Board of the District, adopted on November 7, 2011 (“District Resolution”), and the resolution of the County Board of Supervisors adopted on November 8, 2011 (“County Resolution”). This Bond and the issue of which this Bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this issue are general obligations of the District, and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the Bonds of this issue.

The Bonds of this issue comprise (i) \$_____ principal amount of Current Interest Bonds, (ii) Capital Appreciation Bonds, of which this Bond is a part, and of which \$_____ represents the principal amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which \$_____ represents the principal amount and \$_____ represents the Conversion Value.

The Bonds of this issue are issuable only as fully-registered bonds in the denominations of \$5,000 of Maturity Value or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the Office of the Paying Agent (as defined in the County Resolution), by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the County Resolution. Any tax or governmental charges shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute Owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any Bond during a period beginning with the opening of business on the 16th day of the month next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given, or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

[The Capital Appreciation Bonds are not subject to optional redemption prior to maturity.]

[Capital Appreciation Term Bonds maturing on August 1, 20__, are subject to mandatory redemption from monies in the Debt Service Fund prior to their stated maturity date, by lot, at the Accreted Value thereof without premium on each August 1, in the years and in an amount equal to the aggregate Accreted Values set forth below:

(MANDATORY REDEMPTION TABLE)]

The rights and obligations of the District and of the Registered Owners of the Bonds may be amended at any time, and in certain cases without the consent of the Registered Owners to the extent and upon the terms and conditions provided in the County Resolution.

The County Resolution contains provisions permitting the District to make provision for the payment of the interest on, and the principal and premium, if any, of any of the Bonds so that the Bonds shall no longer be deemed to be outstanding under the terms of the County Resolution.

Reference is made to the County Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner of this Bond assents, by acceptance hereof, to all of the provisions of the County Resolution.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the County Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the County of Los Angeles, California, has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Mayor of the Los Angeles County Board of Supervisors and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Los Angeles County Board of Supervisors, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

LOS ANGELES COUNTY, CALIFORNIA

-EXHIBIT-

By: _____
Mayor, Board of Supervisors

-EXHIBIT-

By: _____
Treasurer and Tax Collector

COUNTERSIGNED:

-EXHIBIT-

By: _____
Executive Officer-Clerk of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the County Resolution referred to herein.

Date of Registration and Authentication: _____

TREASURER AND TAX COLLECTOR OF THE COUNTY OF LOS ANGELES, Paying
Agent, as authenticating agent:

By: U.S. Bank National Association, as agent:

-EXHIBIT-

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto:

(print/type name, address, zip code, tax identification or Social Security number of assignee) the within Bond and do(es) irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Paying Agent, with full power of substitution in the premises.

Date: _____

-EXHIBIT-

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change what so ever.

Signature Guaranteed:

-EXHIBIT-

Signature must be guaranteed by an eligible guarantor institution.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede and Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

FORM OF BOND COUNSEL OPINION

[Text of Opinion]

EXHIBIT "D"

FORM OF CONVERTIBLE CAPITAL APPRECIATION BOND

**STATE OF CALIFORNIA
REGISTERED
NO.**

**COUNTY OF LOS ANGELES
REGISTERED
\$
(CONVERSION VALUE)**

**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B
(Los Angeles County, California)**

ACCRETION RATE TO <u>CONVERSION DATE</u>	CONVERSION <u>DATE</u>	INTEREST RATE AFTER THE <u>CONVERSION DATE</u>	MATURITY <u>DATE</u>	DATED <u>AS OF</u>	<u>CUSIP</u>[®]
_____%	_____, 20__	_____%	August 1, 20__	_____, 2011	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

CONVERSION VALUE:

The **WILLIAM S. HART UNION HIGH SCHOOL DISTRICT** ("District") in Los Angeles County, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Conversion Value on the Maturity Date, each as stated above, such Conversion Value comprising the principal amount and interest accreted thereon to the Conversion Date. Prior to the Conversion Date, this Bond will not bear current interest but will accrete interest, compounded on each February 1 and August 1, commencing _____ 1, 20__, at the Accretion Rate specified above to the Conversion Date, assuming that in any such semiannual period the sum of such compounded accreted interest and the principal amount (such sum being herein called the "Accreted Value") increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months. After the Conversion Date, the District promises to pay to the Registered Owner named above, interest on the Conversion Value from the Conversion Date until the Conversion Value is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year ("Bond Payment Dates"), commencing _____ 1, 20__. This Bond will bear such interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is

authenticated on or before _____ 15, 20__, in which event it will bear interest from the Conversion Date. Conversion Value and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this Bond (or, if applicable, one or more predecessor bonds) is registered ("Registered Owner") on the register maintained by the Paying Agent, initially the Treasurer and Tax Collector of the County of Los Angeles. Accreted Value and redemption premium, if any, are payable upon presentation and surrender of this Bond at the principal office of the Paying Agent.

This Bond is one of an aggregate amount of \$_____ of Bonds issued to be used for the acquisition and construction of school facilities to serve the District under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent (55%) favorable vote of the electors of the District obtained at an election held on November 4, 2008, upon the question of issuing Bonds in the amount of \$300,000,000, the resolution of the Governing Board of the District, adopted on November 7, 2011 ("District Resolution"), and the resolution of the County Board of Supervisors adopted on November 8, 2011 ("County Resolution"). This Bond and the issue of which this Bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this issue are general obligations of the District, and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the Bonds of this issue.

The Bonds of this issue comprise (i) \$_____ principal amount of Current Interest Bonds, (ii) Capital Appreciation Bonds of which \$_____ represents the principal amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which this Bond is a part, and of which \$_____ represents the principal amount and \$_____ represents the Conversion Value.

This Bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the County Resolution) and in other authorized denominations at the Office of the Paying Agent (as defined in the County Resolution), by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the County Resolution. Any tax or governmental charges shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute Owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any Bond during a period beginning with the opening of business on the 16th day of the month next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given, [or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.]

[The Convertible Capital Appreciation Bonds are subject to redemption prior to maturity.] [*redemption provisions provided in final Purchase Agreement*]

The rights and obligations of the District and of the Registered Owners of the Bonds may be amended at any time, and in certain cases without the consent of the Registered Owners to the extent and upon the terms and conditions provided in the County Resolution.

The County Resolution contains provisions permitting the District to make provision for the payment of the interest on, and the principal and premium, if any, of any of the Bonds so that the Bonds shall no longer be deemed to be outstanding under the terms of the County Resolution.

Reference is made to the County Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Registered Owner of this Bond assents, by acceptance hereof, to all of the provisions of the County Resolution.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds by the County in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the County Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the County of Los Angeles, California, has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Mayor of the Los Angeles County Board of Supervisors and the Treasurer and Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Los Angeles County Board of Supervisors, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

LOS ANGELES COUNTY, CALIFORNIA

-EXHIBIT-

By: _____
Mayor, Board of Supervisors

-EXHIBIT-

By: _____
Treasurer and Tax Collector

COUNTERSIGNED:

-EXHIBIT-

By: _____
Executive Officer-Clerk of the Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the County Resolution referred to herein.

Date of Registration and Authentication: _____

TREASURER AND TAX COLLECTOR OF THE COUNTY OF LOS ANGELES, Paying
Agent, as authenticating agent:

By: U.S. Bank National Association, as agent:

-EXHIBIT-

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto:

(print/type name, address, zip code, tax identification or Social Security number of assignee) the within Bond and do(es) irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Paying Agent, with full power of substitution in the premises.

Date: _____

-EXHIBIT-

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change what so ever.

Signature Guaranteed:

-EXHIBIT-

Signature must be guaranteed by an eligible guarantor institution.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede and Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

FORM OF BOND COUNSEL OPINION

[Text of Opinion]

RESOLUTION NO. 11/12-19

RESOLUTION OF THE GOVERNING BOARD OF THE WILLIAM S. HART UNION HIGH SCHOOL DISTRICT PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$45,000,000 PRINCIPAL AMOUNT OF WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B, AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, PRESCRIBING THE TERMS OF SALE FOR SUCH BONDS, AUTHORIZING EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT FOR SUCH BONDS, APPROVING CERTAIN DOCUMENTS AND AGREEMENTS, SUPPLEMENTING AND SUPERSEDING DISTRICT RESOLUTION NO. 11/12-12, MAKING CERTAIN FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS

WHEREAS, the William S. Hart Union High School District (“District”) is a public school district organized and operating within the County of Los Angeles (“County”) pursuant to the laws of the State of California (“State”), including, but not limited to, the California Constitution and the California Education Code (“Education Code”); and

WHEREAS, the issuance of not to exceed \$300,000,000 aggregate principal amount of general obligation bonds of the District was authorized (“Bond Authorization”) at an election duly called and regularly conducted within the District on November 4, 2008 (further identified as “Measure SA”) (“Bond Election”), which Bond Election was conducted pursuant to the provisions of the “Safer Schools, Smaller Classes and Financial Accountability Act” (also known as “Proposition 39”), the California Constitution and related California law; and

WHEREAS, the results of the Bond Election were certified by the Governing Board of the District (“District Board”) by adoption of Resolution No. 0809-29, adopted on January 21, 2009, pursuant to State law, and which Resolution No. 0809-29 was thereafter filed as required by State law; and

WHEREAS, the proceeds of general obligation bonds issued pursuant to the Bond Authorization are to be used for identified projects (as set out in District Resolution No. 0809-01 adopted on July 16, 2008 (“Resolution No. 0809-01”) which is incorporated herein by this reference) as approved by the voters in the Bond Election; and

WHEREAS, pursuant to the Bond Authorization and the provisions of applicable California law, the District, pursuant to the provisions of District Resolution No. 0809-45 and a Resolution adopted by the County Board of Supervisors on May 12, 2009, have previously authorized and issued the William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series A in the initial par amount of \$75,174,766.10, which bonds were issued as of June 10, 2009 (“Series A Bonds”), leaving \$224,825,233.90 of bonds of the Bond Authorization authorized and unissued; and

WHEREAS, pursuant to the Bond Authorization, the provisions of Education Code Section 15150 and related California law, the District previously issued the 2009 General Obligation Bond Anticipation Notes of the William S. Hart Union High School District (“2009 Notes”) in the initial principal amount of \$41,525,000 for the purpose of providing funds to finance the acquisition and construction of public educational facilities and projects as described in the Bond Authorization; and

WHEREAS, the provisions of documents and agreements providing for the issuance of the 2009 Notes require that such 2009 Notes be paid before the District may issue additional general obligation bonds under the Bond Authorization to fund additional public educational facilities and projects authorized under the Bond Authorization; and

WHEREAS, pursuant to the provisions of California law, a portion of the proceeds of the Series B Bonds (as defined herein) will be used to pay the outstanding 2009 Notes; and

WHEREAS, Sections 53506 *et seq.* of the California Government Code (“Government Code”) and Sections 15140 and 15146, as applicable, of the Education Code authorize the Board of Supervisors of the County (“County Board”) to borrow funds through the issuance of general obligation bonds in the name and for the benefit of the District pursuant to resolutions adopted by the District Board and the County Board; and

WHEREAS, pursuant to California Government Sections 53506, *et seq.*, and, to the extent applicable, Education Code Sections 15266(b), 15100 *et seq.*, and 15140 *et seq.*, the District Board has determined that it is in the best interests of the District at this time to authorize the issuance of a portion of such authorized but unissued general obligation bonds in the total principal amount of not to exceed Forty-Five Million Dollars (\$45,000,000) (“Bonds” or “Series B Bonds”) and requests the County Board to offer the Series B Bonds for sale pursuant to the request set forth herein; and

WHEREAS, Proposition 39, and related California statutory provisions, require that the District comply with various accountability measures, as further described below, which the District has either previously complied with, or will comply with, during the course of issuing the Series B Bonds and/or expending Series B Bond proceeds; and

WHEREAS, based upon documentation presented to the District Board, the District Board is prepared to make certain findings and determinations concerning the issuance and sale of the Series B Bonds and the levy of taxes to pay principal and interest on the Series B Bonds pursuant to State law; and

WHEREAS, the District Board, has previously retained Stifel, Nicolaus & Company, Incorporated, dba Stone & Youngberg, a Division of Stifel Nicolaus, as its Underwriter (“Underwriter”), Bowie, Arneson, Wiles & Giannone, as Bond Counsel to the District (“Bond Counsel”), Jones Hall, a Professional Law Corporation, as Disclosure Counsel to the District (“Disclosure Counsel”) and Dolinka Group, LLC, as Financial Advisor to the District (“Financial Advisor”), in connection with the issuance, sale and delivery of the Series B Bonds; and

WHEREAS, the District Board desires that the Series B Bonds be sold by negotiated sale, through the County, and that the sale thereof may involve the purchase of a municipal bond insurance policy; and

WHEREAS, the District Board has been presented with the forms of a Preliminary Official Statement, a Bond Purchase Agreement and a Continuing Disclosure Certificate relating to the Series B Bonds, which documents are on file with the Clerk of the District Board; and

WHEREAS, the District Board has received information concerning the sale of the Series B Bonds, including, but not limited to, information concerning anticipated costs of issuance of the Series B Bonds; and

WHEREAS, the District Board desires to make certain findings, and authorize and direct certain actions with respect to the issuance and sale of the Series B Bonds as set forth herein; and

WHEREAS, the District Board desires to authorize all actions necessary to provide for the payment of the 2009 Notes in accordance with their terms; and

WHEREAS, based upon documentation presented to the District Board, the District Board is prepared to make certain findings and determinations concerning the issuance and sale of the Series B Bonds; and

WHEREAS, the District Board requests that the Tax Collector and Auditor-Controller of the County levy on its annual tax rolls, taxes to be levied only against property within the boundaries of the District, pursuant to State law, in an amount sufficient to pay the principal and interest on the Series B Bonds as such shall become due; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including the Series B Bonds, is within all limits prescribed by law; and

WHEREAS, based on the foregoing, the District Board has determined that it is appropriate to adopt this resolution, including making certain findings and directing certain related actions and requesting that the Series B Bonds be issued through the County on behalf of the District.

NOW, THEREFORE, THE GOVERNING BOARD OF THE WILLIAM S. HART UNION HIGH SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. **Incorporation of Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. **Conditions Precedent.** The District Board determines that all acts and conditions necessary to be performed by the District or District Board or to have been met precedent to and in the issuing and sale of the Series B Bonds in order to make them legal, valid and binding general obligations of the District secured by the levy of *ad valorem* taxes on taxable

property within the boundaries of the District have been performed and have been met, or will at the time of delivery of the Series B Bonds have been performed and met, in regular and due form as required by law; that the County Board has the power and is obligated to levy *ad valorem* taxes for the payment of the Series B Bonds and the interest thereon without limitation as to rate or amount upon all property within the District subject to taxation (except for certain classes of personal property); and that no statutory or California Constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Series B Bonds.

Section 3. Purpose of Bonds. The Series B Bonds of the District, in the aggregate principal amount of not to exceed \$45,000,000, shall be offered for sale, the proceeds of which are to be used for the purposes set out in District Resolution No. 0809-01, as approved at the Bond Election, specifically the payment of the District's outstanding 2009 Notes, and to pay all necessary and appropriate costs or expenses incurred in the issuance of the Series B Bonds pursuant to Government Code Section 53509.5(b), and, as applicable, Education Code Sections 15145 and 15146 and applicable State law.

Section 4. Authority for Issuance of Bonds. That the Series B Bonds shall be issued and offered for sale by the County, on behalf of the District, pursuant to and in accordance with the California Constitution, the Authorization, this Resolution, the County Resolution (as defined below), Government Code Sections 53506 *et seq.*, and, to the extent applicable, Education Code Sections 15266, 15100 *et seq.* and 15140 *et seq.*

Section 5. Sale of Bonds; Designation.

(a) The County Board is hereby authorized and directed to issue and sell an aggregate principal amount of not to exceed \$45,000,000 of Series B Bonds authorized at the aforementioned Bond Election to be designated as “**William S. Hart Union High School District General Obligation Bonds, 2008 Election, Series B**” or such other designation as the Superintendent of the District (“Superintendent”) or the Superintendent's designee(s) (as described herein) may approve. The resolution of the County Board providing for the issuance and sale of the Series B Bonds is in certain instances herein referred to as the “County Resolution.”

(b) The proceeds of the Series B Bonds shall be expended for the purposes set forth in the ballot submitted to the voters, approved in the Bond Election and subject to State law. The Series B Bonds shall otherwise conform to the requirements forth herein and in the County Resolution.

Section 6. Negotiated Sale. The County Board is hereby requested to issue the Series B Bonds to be sold by a negotiated sale in accordance with the terms and conditions, including provisions for the optional redemption of the Series B Bonds, in substantially the form set forth in the Bond Purchase Agreement (“Purchase Agreement”) by and among the County, the District, and the purchaser of the Series B Bonds (the Underwriter), the form of which is attached hereto as Exhibit “A” and incorporated herein by this reference.

Section 7. Form of Purchase Agreement; Sale of Bonds; Delegation of Authority. The form of the Purchase Agreement is hereby approved. The Superintendent, Chief Financial Officer, Chief Operations Officer and such other officers of the District as may be authorized by

the District Board or Superintendent (each a “Designated Officer”) are, and each of them acting alone hereby is, authorized to execute and deliver, with the County Treasurer and Tax Collector (“Treasurer”), or an authorized deputy of the Treasurer, to the Underwriter the Purchase Agreement on behalf of the District, with such changes therein as the Designated Officer executing the same on behalf of the District may approve, in their discretion, as being in the best interests of the District and subject to the terms and conditions set forth in the County Resolution. Such approval is to be conclusively evidenced by such Designated Officer's execution thereof. The Designated Officer, in consultation with the Financial Advisor, the Underwriter, Bond Counsel and the Treasurer, is authorized and directed to establish or modify the terms of redemption of the Series B Bonds and the final principal amount of the Series B Bonds, provided, however, that such principal amount shall not exceed \$45,000,000. The Designated Officer is authorized and directed to negotiate, in cooperation with the Treasurer, with the Underwriter the interest rates on the Series B Bonds shall not exceed the maximum rate permitted by law, and the Underwriter's discount shall not exceed eight tenths of one percent (0.80%) of the principal amount of the Series B Bonds (exclusive of any premium paid on the Series B Bonds, costs of issuance of the Series B Bonds which may be paid by the Underwriter, and/or original issue discount, if any, which original issue discount shall not exceed 5.00%). The Designated Officer, in consultation with the Financial Advisor, the Underwriter, and the Treasurer is authorized to determine or accept the principal amount of each maturity of the Series B Bonds (including any Capital Appreciation Bonds and Convertible Capital Appreciation Bonds), the redemption provisions for the Series B bonds, as applicable, and the final purchase price for the Series B Bonds (subject to the limitations set forth herein) which shall be set forth in the Purchase Agreement. The term of the Series B Bonds shall be for not more than the maximum term allowed by law.

The Designated Officer is also authorized, in consultation with the Treasurer, the Underwriter and Bond Counsel, to elect to purchase a policy of municipal bond insurance for the Series B Bonds to the extent such action is determined to be in the best interests of the District.

Section 8. Preliminary Official Statement; Official Statement. Pursuant to State law, including Education Code Section 15149, related State law and federal disclosure requirements, the Preliminary Official Statement relating to the Series B Bonds is hereby approved in substantially the form presented to the District Board, and the use and distribution of the Preliminary Official Statement and a final Official Statement in connection with the sale of the Series B Bonds is hereby authorized subject to the provisions of this Section. The Designated Officer is authorized to approve and deliver copies of the Preliminary Official Statement and the final Official Statement, with such changes therein as such officer shall approve, in his or her discretion as being in the best interests of the District. Upon approval of such changes by such officer, the Preliminary Official Statement shall be deemed final as of its date, except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule”). The District Board hereby authorizes and directs the Designated Officer to deliver to the Underwriter a certificate to the effect that the District deems the Preliminary Official Statement, in the form approved by the Designated Officer, to be final as of its date, within the meaning of the Rule (except for the omission of certain final pricing, rating and related information as permitted under such Rule). The District Board hereby also authorizes and directs the Designated Officer to execute and deliver the final form of the Official Statement to the Underwriter upon its final date. In so doing, the Designated Officer may rely

upon the advice of Disclosure Counsel. Actions previously undertaken by District staff, consultants and legal counsel for the preparation of the Preliminary Official Statement undertaken pursuant to the provisions of District Resolution No. 11/12-12 are hereby ratified and confirmed.

Section 9. Book-Entry Form. The Series B Bonds shall be initially issued in book-entry form, through the facilities of The Depository Trust Company (“DTC”) in New York, New York, which shall be the registered in the name of Cede & Co. as nominee of DTC. The Series B Bonds shall be issued at the closing in the form of a single, certificate Series B Bond for each maturity. The Underwriter is requested to assist the District and the County in qualifying the Series B Bonds for deposit through the facilities of DTC. The District Board hereby authorizes and directs the Designated Officer to execute and deliver such documents and letters as are necessary or desirable to qualify the Series B Bonds as part of such book-entry form and system.

Section 10. Paying Agent. The District requests that the County designate the Treasurer as the Paying Agent for the Series B Bonds. The Treasurer is authorized to contract with any qualified third party to perform the services of Paying Agent. The first annual fees of the Paying Agent shall be paid from proceeds of the Series B Bonds. Subsequent annual fees of the Paying Agent and any other ongoing fees and expenses of administering the Bonds may be paid from the general fund of the District or other funding sources available therefor.

Section 11. Levy and Collection of Taxes. Pursuant to Education Code Sections 15250 *et seq.* (or any successor sections thereto) the District, upon sale and delivery of the Series B Bonds, requests that the County Board take action to levy, or cause to be levied, on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Series B Bonds are outstanding in such years and in an amount sufficient to pay the principal of and interest on the Series B Bonds when due in accordance with the terms of the Series B Bonds and the County Resolution.

Section 12. Tax Covenants; Findings and Determinations.

(a) The District, in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Series B Bonds, hereby covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code, as set forth in the nonarbitrage (tax) certificate to be provided to the District by Bond Counsel, and executed by the District on the date of initial delivery of the Series B Bonds and incorporated herein by this reference, as a source of guidance for compliance with such provisions.

(b) The District, hereby covenants that it shall not, directly or indirectly, use or permit the use of any proceeds of any of the Series B Bonds, or of any of the property financed or refinanced with the proceeds of the Series B Bonds, or other funds of the District, or take or omit to take any action that would cause the Series B Bonds to be deemed “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the District, shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury promulgated under that section or any successor section to the extent that such requirements are in effect and applicable to the Series B Bonds.

(c) The District covenants that it shall (i) make all calculations in a reasonable and prudent fashion relating to any rebate or excess investment earnings on the proceeds of the Series B Bonds due to the United States Treasury; and (ii) cause to be segregated and set aside from lawfully available sources held in the County treasury the amount such calculations indicate may be required to be paid to the United States Treasury. Based on such rebate calculations, the District will, to the extent required, cause to be set aside, from monies lawfully available, the amount of such rebate in a separate fund that the District hereby agrees to cause to be established and maintained as set forth in Section 12(c) hereof and in the County Resolution.

(d) The District, represents that it shall not take any action(s), or fail to take any action(s) if such action(s) or failure to take such action(s) would adversely affect the exclusion from gross income of the interest payable on the Series B Bonds under Section 103 of the Code.

Section 13. Expenditure of Bond Proceeds. The District hereby covenants to expend all Series B Bond proceeds, including, but not limited to, the proceeds of the 2009 Notes being refinanced with the proceeds of the Series B Bonds, in accordance with applicable law, including, but not limited to, Chapter 2 of Part 10 of Division 1 of Title 1 of the California Education Code of the State of California, as amended, the requirements of Proposition 39 and related State legislation, Article XIII A of the California Constitution, the Bond Authorization and the determinations and directives made herein.

Section 14. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate (as defined below). Notwithstanding any other provisions of this Resolution, failure of the District to comply with the provisions of the Continuing Disclosure Certificate shall not be considered a default by the District hereunder or under the Series B Bonds; however, any underwriter or any holder or beneficial owner of the Series B Bonds may take such actions as may be necessary and appropriate to compel performance therewith, including seeking mandate or specific performance by court order.

For purposes of this Section, "Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Series B Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The form of the Continuing Disclosure Certificate is attached hereto as Exhibit "B" and incorporated by reference herein. The Designated Officer(s) are hereby authorized to approve, execute and deliver the final form of the Continuing Disclosure Certificate with such changes, insertions and deletions as may be approved by the Designated Officer, Bond Counsel and Disclosure Counsel, which approval shall be conclusively evidenced by execution and delivery thereof.

Section 15. County Books and Accounts. The Treasurer, the County and the Paying Agent are requested to keep, or cause to be kept, proper books of records and accounts to record (i) the amount of taxes collected pursuant to Section 11 hereof and the provisions of the County Resolution, (ii) all deposits, expenditure and investment earnings on the Debt Service Fund and the Costs of Issuance Fund and any and all accounts or subaccounts thereof, and (iii) all transfers of funds for the payment of Principal, Conversion Value and Accreted Value of, or interest or redemption premiums on, the Series B Bonds. The Paying Agent shall provide regular periodic written statements for the Costs of Issuance Fund to the District. Such books of record and

accounts shall, upon reasonable notice, during regular business hours be subject to the inspection of the District, the Paying Agent (if other than the Treasurer) and the Owners of not less than ten percent (10%) of the Principal Amount of the Series B Bonds then Outstanding, or their representatives authorized in writing.

Section 16. Compliance with Proposition 39. The District hereby determines that it has complied, or will comply, with the applicable requirements prescribed by Proposition 39, and related applicable State statutory provisions, as follows:

(a) Pursuant to Section 1(b)(3) of Article XIII A of the California Constitution, the proceeds of the sale of the Series B Bonds (exclusive of costs of issuance and delivery of the Series B Bonds) (“Bond Proceeds” or “Series B Bond Proceeds”) shall be used only to pay the outstanding 2009 Notes, the proceeds of which shall be used for the purposes specified in the list of specific school facilities projects set forth in Resolution No. 0809-01 and approved by the voters in the Bond Election (“School Facilities Project List”) and not for any other purpose, including teacher and administrator salaries and any other school operating expenses.

(b) Pursuant to Section 1(b)(3) of Article XIII A of the California Constitution, the School Facilities Project List was made available to the public for review prior to and during the Bond Election, which included the District Board's evaluation of safety, class size reduction and information technology needs in developing the School Facilities Project List as set forth in Resolution No. 0809-01.

(c) Pursuant to Section 1(b)(3) of Article XIII A of the California Constitution, the District Board shall conduct, or cause to be conducted, annual, independent performance audits to ensure that the Series B Bond Proceeds have been expended only on the school facilities projects and capital expenditures identified in the School Facilities Project List.

(d) Pursuant to Section 1(b)(3) of Article XIII A of the California Constitution, the District Board shall conduct, or cause to be conducted, annual, independent financial audits of the Bond Proceeds until all of the Bond Proceeds have been expended for the school facilities projects and capital expenditures identified in the School Facilities Project List.

(e) Measure SA and matters submitted to the voters as part of the Bond Election included statements in compliance with Education Code Section 15272.

(f) The Measure SA election results have been certified by the District Board pursuant to Resolution No. 0809-29, and such resolution has been filed as required under Education Code Sections 15124 and 15274.

(g) Pursuant to Education Code Sections 15278 *et seq.*, the District Board has established its Citizens' Oversight Committee (“Committee”) and appointed members thereto pursuant to the Committee Policy and Regulations previously adopted by the District Board.

(h) Pursuant to Education Code Section 15268, based on estimates that assessed valuation will increase in accordance with Article XIII A of the California Constitution, the tax rate to be levied to meet the requirements of Section 18 of Article XVI of the California Constitution with regard to the outstanding Series A Bonds and the Series B Bonds will not

exceed Thirty Dollars (\$30) per year per One Hundred Thousand Dollars (\$100,000) of taxable property within the boundaries of the District. The District shall provide, or cause to be provided, a certificate specifying the estimated tax rate, and confirming compliance with this statutory requirement, at the time the Series B Bonds are delivered.

Section 17. Compliance with State Law. That pursuant to Government Code Section 53410, the District Board hereby finds, determines and directs as follows:

(a) The Series B Bond Proceeds shall be used only for the purposes set forth in the School Facilities Project List, including payment of the 2009 Notes, the construction proceeds of which have been, or will be, used only for the purposes set forth in the School Facilities Project List.

(b) One or more funds or accounts (which may include subaccounts) as further described herein and in the County Resolution shall be created into which the Series B Bond Proceeds shall be deposited.

(c) The District's Chief Financial Officer shall have the responsibility no less often than annually, to provide to the District Board a written report which shall contain at least the following information:

(i) The amount of the Series B Bond Proceeds received and expended during the applicable reporting period; and

(ii) The status of the acquisition, construction or financing of the school facility projects, as identified in the School Facilities Project List, with the Series B Bond Proceeds.

The report(s) required by this Section 17(c) may be combined with other periodic reports which include the same information, including, but not limited to, periodic reports made to the California Debt and Investment Advisory Commission (CDIAC) or continuing disclosure reports or other reports made in connection with the Series B Bonds. The requirements of this Section 17(c) shall apply only until all the Series B Bonds are redeemed or defeased, but if the Series B Bonds, or any portion thereof, are refunded, such provisions shall apply until all such refunding bonds are redeemed or defeased.

Section 18. Additional Findings and Directives. Pursuant to Education Code Section 15146(b) and (c), the District Board hereby finds, determines and directs as follows:

(a) The Series B Bonds shall be sold by negotiated sale to as set forth in Sections 5, 6 and 7 of this Resolution, the provisions of the County Resolution and elsewhere herein.

(b) The Series B Bonds shall be sold by negotiated sale inasmuch as: (i) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District, including, but not limited to, the payment of the 2009 Notes; (ii) such a sale will allow the District to utilize the services of consultants at a lower cost than selecting, retaining and utilizing the services of consultants who are not familiar with the District, its financing needs and related matters; (iii) such a sale will allow the District to control

the timing of the sale of the Series B Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Series B Bonds to such market; and (iv) such a sale will provide more flexibility in the timing of the sale, including an ability to implement the sale in a shorter time period, an increased ability to structure the Series B Bonds to fit the needs of particular purchasers and a greater opportunity for the Underwriter to pre-market the Series B Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds.

(c) The District is represented by Stifel, Nicolaus & Company, Incorporated, dba Stone & Youngberg, a Division of Stifel Nicolaus, as its Underwriter, Bowie, Arneson, Wiles & Giannone, as Bond Counsel, Jones Hall, as Disclosure Counsel and Dolinka Group, LLC, as Financial Advisor.

(d) The District Board estimates that the costs associated with the issuance of the Series B Bonds, including compensation to the Underwriter and any such costs which the Underwriter agrees to pay pursuant to the Purchase Agreement, are set forth in Exhibit "C", attached hereto and incorporated herein by this reference. Such costs of issuance of the Series B Bonds include, but are not limited to, costs of bond insurance, Bond Counsel, District Counsel and Disclosure Counsel fees and expenses, Financial Advisor fees and expenses, Paying Agent costs for one or more years of service, rating agency fees, County costs, printing costs and related informational and data costs. Such figure is an estimate and shall not constrain or limit the District as to the issuance and sale of the Series B Bonds pursuant to the directives and conditions set forth herein.

(e) The District Board hereby directs that following the sale of the Series B Bonds, the District Board shall be presented with the actual costs of sale, issuance and delivery costs of the Series B Bonds at the next occurring meeting of the District Board for which such information can be determined and presented in accordance with State law.

(f) The District Board hereby directs that following the sale and delivery of the Series B Bonds that an itemized summary of the costs of the sale, issuance and delivery costs of the Series B Bonds shall be provided to CDIAC. The District Board hereby determines that submission of such information as part of the filing of the Report of Final Sale for the Series B Bonds made to CDIAC pursuant to State law, including Government Code Section 8855, shall constitute compliance with the requirements of Education Code Section 15146(c)(2).

(g) The District Board hereby directs that as part of the authorization for issuance, sale, issuance and delivery of the Series B Bonds that all necessary filings with CDIAC shall be completed by the District staff and/or its consultants on behalf of the District. The District Board directs that confirmation of such filings shall be included in the transcript of agreements, resolutions, proceedings and documents prepared and delivered in connection with the authorization for issuance, sale and delivery of the Series B Bonds.

Section 19. District Consultant Costs, County Costs and Costs of Issuance Agreement.

(a) The District has retained the services of Bowie, Arneson, Wiles & Giannone, to represent the District as Bond Counsel, Stifel, Nicolaus & Company, Incorporated, dba Stone &

Youngberg, a Division of Stifel Nicolaus, as Underwriter, Jones Hall, to represent the District as Disclosure Counsel, and Dolinka Group, LLC, as Financial Advisor and initial dissemination agent with regard to the issuance of the Series B Bonds. The County Treasurer's Office will serve as the District's initial Paying Agent. The Superintendent or a Designated Officer is hereby authorized to retain such other and further consultants and services, including, but not limited to, printing services, legal services, assessment information and pricing consultant services as are necessary or desirable to facilitate the issuance and delivery of the Series B Bonds.

(b) That this District Board authorizes the payment to the County of out-of-pocket expenses and other costs incurred by the County in connection with the County's support of, and participation in, the issuance of the Series B Bonds.

(c) As may be provided in the Purchase Agreement, the Underwriter may be required to pay a portion of the costs of issuance from allocated funds as a condition to the purchase of the Series B Bonds. The District Board hereby authorizes a Designated Officer(s) to enter into a Costs of Issuance Custodian Agreement, or equivalent agreement, with a qualified banking or financial institution. As may be provided in such agreement, amounts provided by the Underwriter for payment of costs of issuance shall be deposited thereunder and the payment of costs of issuance may be requisitioned by a Designated Officer(s) in accordance with such agreement.

Section 20. Payment of 2009 Notes. The net proceeds of the Series B Bonds will be used to pay the 2009 Notes, including interest due thereon (but excluding included costs of issuance thereof), pursuant to their terms. The District Board hereby approves and authorizes the following actions in such regard:

(a) The Designated Officer(s) is hereby authorized to retain and utilize the services of such consultants and professional services as are necessary or desirable to complete the payment and defeasance of the 2009 Notes including, but not limited to, escrow agent services and verification agent services, as may be applicable. The costs of such services shall constitute costs of issuance of the Series B Bonds.

(b) The form of an Escrow Agreement for the payment and defeasance of the 2009 Notes has been presented to this District Board and is hereby approved as to form. The Designated Officer(s) is hereby authorized to execute and deliver such Escrow Agreement in connection with the payment of the 2009 Notes.

(c) The District's staff, consultants and Designated Officer(s) are hereby authorized to take all actions necessary or desirable to complete the payment and defeasance of the 2009 Notes, including execution and delivery of necessary agreements, documents and certifications in connection therewith.

Section 21. Approval of Actions. All actions heretofore taken by officers and agents of the District with respect to the sale and issuance of the Series B Bonds are hereby approved, confirmed and ratified. The President and Clerk of the District Board and the Superintendent and the Designated Officer(s) are each authorized and directed in the name and on behalf of the District to make and execute any and all certificates, requisitions, agreements, notices, consents,

warrants and other documents, which they, or any of them, might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series B Bonds. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in case such officer shall be absent or unavailable.

Section 22. Other Actions. The President, Clerk and Secretary of the District Board, and the Designated Officers of the District, are authorized and directed to execute all documents and to take all actions necessary to cause or facilitate the issuance of the Series B Bonds.

Section 23. Supplementing and Superseding District Resolution No. 11/12-12.

(a) The Governing Board hereby supplements District Resolution No. 11/12-12 by providing that Sections 25, 32 and 38 thereof shall be amended to confirm to the terms hereof. Actions previously undertaken by District staff, consultants and legal counsel pursuant to such sections are hereby ratified and confirmed.

(b) Except as otherwise provided for herein, District Resolution No. 11/12-12 is hereby superseded by the terms, provisions, findings, determinations and directives of this Resolution.

Section 24. Partial Invalidity; Severability. If any one or more of the covenants or agreements, or portions thereof, provided in this Resolution on the part of the District to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Resolution or of the Series B Bonds; but the Bond owners shall retain all rights and benefits accorded to them under any applicable provisions of law. The District hereby declares that it would have entered into this Resolution and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Series B Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 25. Governing Law. This Resolution shall be construed and governed in accordance with the laws of the State of California.

Section 26. Effective Date. This Resolution shall take effect immediately upon adoption.

Section 27. Furnishing of Certified Copies of Resolution. The Clerk of the District Board shall furnish two (2) certified copies of this Resolution to Bowie, Arneson, Wiles & Giannone and shall send one (1) copy of this Resolution to each of the following:

Los Angeles County Treasurer/Tax Collector
Attn: Mark J. Saladino
225 North Hill Street
Los Angeles, CA 90012

Los Angeles County Auditor and Controller
Attn: Wendy L. Watanabe
500 West Temple Street, Room 525
Los Angeles, CA 90012

Los Angeles County Counsel
Attn: Cammy Dupont
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

[Remainder of page is blank.]

ADOPTED, SIGNED AND APPROVED this 7th day of November, 2011.

**WILLIAM S. HART UNION HIGH SCHOOL
DISTRICT:**

By _____
President of the Governing Board of the
William S. Hart Union High School District

ATTEST:

By _____
Clerk of the Governing Board of the
William S. Hart Union High School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, Joseph V. Messina, Clerk of the Governing Board of the William S. Hart Union High School District, do hereby certify that the foregoing resolution was duly adopted by the Governing Board of such District at a meeting of said Board held on the 7th day of November, 2011, of which meeting all of the members of the Board had due notice and at which a quorum thereof were present and acting throughout and for which notice and an agenda was prepared and posted as required by law and that at said meeting such resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Clerk, Governing Board of the
William S. Hart Union High School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, Joseph V. Messina, Clerk of the Governing Board of the William S. Hart Union High School District, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 11/12-19 of such Board and that the same has not been amended or repealed.

Dated this 7th day of November, 2011.

Clerk, Governing Board of the
William S. Hart Union High School District

EXHIBIT “A”

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT “B”

FORM OF CONTINUING DISCLOSURE CERTIFICATE

EXHIBIT “C”

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES B

ESTIMATED COSTS OF ISSUANCE

Underwriter’s Discount (not to exceed)	0.80% of the Par Amount
Bond Insurance (if purchased)	1.50% of the Par Amount
Other costs of issuance, including, but not limited to: <ul style="list-style-type: none">• Bond Counsel fees and expenses• Disclosure Counsel fees and expenses• District Counsel Fees and expenses• Financial Advisor Fees and expenses• Rating Agency presentation costs and costs of rating(s)• Printing costs• Filing Fees• Paying Agent and Escrow Agent costs and expenses• Los Angeles County costs and expenses• Verification Agent fees and expenses• Information and Data costs	1.75% of the Par Amount

Notes to Exhibit “C”

All costs of issuance listed herein are estimates. Such figures are estimates and shall not constrain or limit the District as to the issuance and sale of the Series B Bonds pursuant to the directives and conditions set forth in District Resolution No. 11/12-19.